

# Poya International Co., Ltd.

## 2023 Annual Report

Website for inquiry at MOPS: <http://mops.twse.com.tw/mops/web/index>

Poya official website: <http://www.poya.com.tw>

Date of publication: March 31, 2024

I. The spokesman and the acting spokesman

Name of spokesman: Shen Hong-Yu  
Title: Vice President of Finance and Accounting Division  
Telephone: (06)241-1000  
E-mail: [simon@poya.com.tw](mailto:simon@poya.com.tw)

Name of acting spokesman: Liu,Pei-Yun  
Title: Director of Finance and Accounting Division  
Telephone: (06)241-1000  
E-mail: [fin888@poya.com.tw](mailto:fin888@poya.com.tw)

II. Address and telephone numbers of the corporate headquarters and the branches: Please refer to page 214~220

III. Shares Registration Agent:

Name: Shares Registration Service Dept, Hua Nan Securities Co., Ltd.  
Address: 4F, No. 54, Ming Sheng East Road Section IV, Taipei  
Telephone: (02)2718-6425  
Website: <http://www.entrust.com.tw>

IV. External auditors of the financial statement covering the previous fiscal period

Name of firm: PriceWaterhouse Coopers Taiwan  
Names of CPAs: Lin Yung-Chih, Lin Tzu-Yu  
Address: 12F, No. 395, Lin Sen Road Section I, Tainan  
Telephone: (06)234-3111  
Website: <http://www.pwc.tw>

V. Name of exchanges in foreign countries where the Company is listed for securities trade and the means of access to information on overseas securities: None.

VI. Company website: <http://www.poya.com.tw>

## **Table of Contents**

<b>LETTER TO THE SHAREHOLDERS .....</b>	<b>1</b>
<b>COMPANY OVERVIEW.....</b>	<b>5</b>
<b>CORPORATE GOVERNANCE .....</b>	<b>9</b>
<b>FUND RAISING.....</b>	<b>93</b>
<b>OPERATING HIGHLIGHTS.....</b>	<b>102</b>
<b>FINANCIAL INFORMATION.....</b>	<b>121</b>
<b>FINANCIAL STATUS, FINANCIAL PERFORMANCE AND RISK MANAGEMENT .....</b>	<b>129</b>
<b>SPECIFIC NOTES.....</b>	<b>139</b>

# Letter to the Shareholders

## Letter to the Shareholders

Dear shareholders,

Amidst multiple uncertainties such as global inflation, the tightening policy of the central banks, the ongoing Ukraine-Russia war, and a escalating in clash between Israel and Iran, the global economy's development and social stability have been under pressure. On the other hand, domestic consumption remains stable, thanks to post pandemic recovery with consumers returning to physical stores. The Directorate General of Budget, Accounting and Statistics, Executive Yuan estimated that the economic growth rate for 2023 was 1.31%, and the private consumption growth rate was 8.41%. The Directorate General of Budget, Accounting and Statistics, Executive Yuan estimated that the economy will grow at a rate of 3.43% in 2024, and estimated that the private consumption growth rate will grow at a rate of 1.64% in 2024. In the face of uncertainty by the external environment, Poya not only continues the efforts on market differentiation, improves its service capabilities, and enhances product assortment plan, but also develops an omni-channel strategy, to improve its operating performance.

### 1. 2023 Business results

Benefiting from the continuous recovery of physical retail channels after the epidemic, Poya actively develops different store formats and optimizes our omnichannel strategy to enhance the shopping experience for customers. With the efforts of the entire management team and all employees, as of the end of 2023, the total number of stores reached 395, with a net revenue of 22.1 billion, an annual increase of 13%; and a net profit after tax of 2.5 billion, an annual increase of 22%.

#### 1. Overall performance

Unit : NT\$ 1,000

Item/amount	FY2023	FY2022	Change in amount	Change in proportion (%)
Operating revenue	22,078,695	19,476,169	2,602,526	13.36%
Operating Cost	(12,341,050)	(11,069,336)	(1,271,714)	11.49%
Net operating margin	9,737,645	8,406,833	1,330,812	15.83%
Operating expenses	(6,544,355)	(5,761,059)	(783,296)	13.60%
Operating profit	3,193,290	2,645,774	547,516	20.69%
Non-operating income and expenses	(40,766)	(57,934)	17,168	(29.63%)
Profit before income tax	3,152,524	2,587,840	564,684	21.82%
Profit for the year	2,525,392	2,068,075	457,317	22.11%

Basic earnings per share (in dollars)	24.41	20.06	4.35	21.68%
---------------------------------------	-------	-------	------	--------

There has been a steady increase in the total number of operating revenue and stores. The growth rate of the number of stores in 2023 was 12%.

Unit : Stores/NT\$ 10,000

Item/year	FY2020	FY2021	FY2022	FY2023
Operating revenue	1,753,884	1,746,921	1,947,617	2,207,870
Total number of stores (Note)	281	324	353	395

Note : The growth rate of the number of stores is calculated based on 353 stores in 2022.

## 2. Financial structure and profitability analysis

Title		FY2023	FY2022
Financial Structure	Ratio of liabilities to assets (%)	75.44	75.11
	Ratio of long-term capital to fixed assets (%)	196.04	209.12
Profitability	Return on assets (ROA) (%)	10.61	8.89
	Return on equity (ROE) (%)	40.78	37.42
	Net Profit ratio (%)	11.44	10.62
	Basic EPS (NTD) (Note)	24.41	20.06

Note : Earnings per share (EPS) are calculated based on the weighted average number of outstanding shares during the year.

## 2. 2024 Business plan

Poya will continue to improve customer experience through continuing display optimization at our physical stores. This creates “Beauty, Trendy, and Enrichment” shopping space and enhances the value of Poya brand; Poya also continuously improves customer satisfaction by providing multi-category, multi-choice and cost-effective products as the core of our assortment development plan. In addition to promotional activities at physical stores from time

to time, Poya also brings customers a seamless consumption experience through improving omnichannel strategy. Poya will continue to enhance customer loyalty and maintain customer lifetime value through digital transformation, precision marketing and optimized services.

## 1. Business Policy

- An aggressive store expansion plan

During the pandemic, Poya has continued to expand store network, becoming Taiwan's largest beauty and grocery retail channel. In the future, Poya will continue to increase our market penetration by three different store formats: traditional poya shops, shop-in-shops, and beauty shops.

- Strengthen brand value with optimization of store format

With core spirits of "Beauty, Trendy, and Enrichment", Poya continues to strengthen our brand image. The renovation plan is based on characteristics of local business districts, creating a shopping space that meets customer needs to enhance the shopping experience for consumers.

- Enhanced competitiveness with diverse activities

Poya has continuously optimized our omnichannel strategy: In 2021, Poya launched digital payment service Poya Pay and online shopping platform Poya Buy, along with in-store pickup services. By consolidating Poya Pay and Poya Buy in 2023, Poya has increased the organic traffic from Poya Pay to Poya Buy. In the future, Poya will continue to refine precision marketing by understanding customer demands and market positioning, launching diverse marketing campaigns to strengthen brand competitiveness, thereby driving revenue and profit growth.

- Curated product plan and space management

Poya continues to strengthen our product competitiveness by enhancing both the depth and breadth of product categories to better meet consumer demands. Moving forward, Poya will also continue to develop private brand strategy, leveraging niche products to build up the brand's reputation and visibility.

Poya has strived to become “A more preferred Poya by the customers”, and hopes to be the best destination for our customers by our products and services provided. Poya also continues to implement the sustainable spirit on environment, society, and corporate governance for perpetual growth and corporate sustainability.

On behalf of the management, we are grateful for all the supports of shareholders, customers and suppliers, and the dedication of all the staff. We will spare no effort in raising corporate value for our shareholders. Wish everyone good health and luck!

Poya International Co., Ltd.

Chen Jian-Zao, Chairman

Chen Zong-Cheng, General Manager

# Company Overview

---

## Company Overview

I. Date of incorporation: March 12 1997

II. Company history:

March 1997	Established Hua Ya Daily Items Company Limited, with a stated capital of NT\$20 million.
April 1997	Reorganized the Company as Hua Ya Daily Items Company Limited by shares.
June 1998	Officially adopted Poya and DOU CHIN as the trademarks of the Company for the corporate identity system.
October 1998	Set up the San Min Branch at Tai Ping Road, Taichung, with the intention of expanding the retailing market in central Taiwan.
March 1999	Set up the Wen Heng Branch at Wen Heng 2 <sup>nd</sup> Road, Kaohsiung, with the intention of enlarging the market share and the operation scale in department store and boutique industry in Kaohsiung.
June 1999	Renamed the Company as Poya Department Store Co., Ltd, and expanded its business scope by a resolution of the Regular Shareholder Meeting in 1998.
August 1999	Set up the Tung Ning Branch at Tung Ning Road in Tainan City.
November 1999	Relocated the Company headquarter to No. 74, Min Tzu Road Section III, Tainan City.
December 1999	Completed the design of the 2 <sup>nd</sup> generation CIS and established a brand new corporate identity system
February 2000	Purchased the inventories and fixed assets of operation sites of Pao Ching Wu Co., Ltd. at Chia Nan District and Chang Yun District to set up the Hsiao Pei Branch and the Feng Chia Branch.
April 2000	Set up the Tou Liu Branch at Tou Liu City in Yun Lin County. Being different from the principles of branch expansion in metropolitan cities, the Company started to launch their plan for the development of mid-size urban centers.
June 2000	Change the Company's name from Poya Department Store Co., Ltd. to Poya International Co., Ltd.
August 2000	Entered into an agreement with Hua Nan Securities Co., Ltd. for the supervision of listing on Taipei Exchange. The Company prepared for



	listing on Taipei Exchange and transferred its operation to a new era.
January 2001	Set up the Yuan Lin Branch at the Yuan Lin Township in Chang Hua County.
August 2001	Set up the Feng Shan Branch in Feng Shan City in Kaohsiung County.
April 2002	Registered as an emerging stock on Taipei Exchange of Taiwan for enhancing the Company's awareness before entering the trading market, and establishing the Company's image to its customers which helped the Company in business developments and product sales.
September 2002	Set up the Liberty Branch on Liberty Road in Kaohsiung City.
September 2002	Listed on Taipei Exchange and its operation entered into a new era.
December 2002	Set up the Wen Hsin Branch at Wen Hsin Road in Taichung City, which was the 10 <sup>th</sup> branch of Poya International Co., Ltd.
December 2003	Completed the design of the 3 <sup>rd</sup> generation CIS and established a brand new corporate identity system.
September 2005	Set up the San Min Branch in Chu Pei City in Hsinchu County, which was the 20 <sup>th</sup> branch of Poya International Co., Ltd.
March 2007	Set up the Ta Tun Branch at Ta Tun Road in Taichung City, which was the 30 <sup>th</sup> Branch of Poya International Co., Ltd.
July 2008	Set up the Shueh Shi Branch at Hsueh Shi Road in Taichung City, which was the 40 <sup>th</sup> Branch of Poya International Co., Ltd.
December 2009	Set up the Nan Ping Branch at Nan Ping Road in Taoyuan County, which was the 50 <sup>th</sup> Branch of Poya International Co., Ltd.
January 2011	Completed the design of the 4 <sup>th</sup> generation CIS and established a brand new corporate identity system.
July 2011	Set up the Pa Te Branch at Chieh Shou Road in Pa Te City in Taoyuan County, which was the 60 <sup>th</sup> Branch of Poya International Co., Ltd.
July 2012	Set up the Po Ai Branch at Po Ai Road in Chu Nan Township in Miaoli County, which was the 70 <sup>th</sup> Branch of Poya International Co., Ltd.
August 2013	Set up the Ching Wu East Branch at Ching Wu East Road in Taichung City, which was the 80 <sup>th</sup> Branch of Poya International Co., Ltd.
May 2014	Set up the Chung Cheng Branch at Nan Miao Chung Cheng Road in Miaoli County, which was the 90 <sup>th</sup> Branch of Poya International Co., Ltd.
August 2014	Set up the Jinhua Branch at Jinhua Road in Tainan City, which was the 100 <sup>th</sup> Branch of Poya International Co., Ltd.
January 2015	Set up the Hankou Branch at Hankou Road in Taichung City, which was the 110 <sup>th</sup> Branch of Poya International Co., Ltd.

September 2015	Set up the Siangyang Branch at Siangyang Road in Taichung City, which was the 120 <sup>th</sup> Branch of Poya International Co., Ltd.
December 2015	Set up the Farglory Branch at Sec. 1, Sintai 5th Rd. Section I, in New Taipei City, which was the 130 <sup>th</sup> Branch of Poya International Co., Ltd.
June 2016	Set up the Homei Branch at Luho Rd in Changhua County, which was the 140 <sup>th</sup> Branch of Poya International Co., Ltd.
September 2016	Set up the Kunshan Branch at Dawan Road in Tainan City, which was the 150 <sup>th</sup> Branch of Poya International Co., Ltd.
February 2017	Set up the Renwu Bade Branch at Bade Central Road in Kaohsiung City, which was the 160 <sup>th</sup> Branch of Poya International Co., Ltd.
September 2017	Set up the Zhonghe Juguang Branch at Juguang Road in New Taipei City, which was the 170 <sup>th</sup> Branch of Poya International Co., Ltd.
February 2018	Set up the Keelung E-square Branch at Ren 2 <sup>nd</sup> Road in Keelung City, which was the 180 <sup>th</sup> Branch of Poya International Co., Ltd.
September 2018	Set up the Taoyuan Guanyin Branch at Zhongshan Road in Taoyuan City, which was the 190 <sup>th</sup> Branch of Poya International Co., Ltd.
December 2018	Set up the Datong Xizhi Branch at Datong Road in New Taipei City, which was the 200 <sup>th</sup> Branch of Poya International Co., Ltd.
June 2019	Set up the Chiayi Zhongxing Branch at Zhongxing Road, West Dist. in Chiayi City, which was the 210 <sup>th</sup> Branch of Poya International Co., Ltd.
August 2019	Set up the Pingtung Chaozhou Branch at Xinsheng Road, Chaozhou Township in Pingtung County, which was the 1 <sup>st</sup> Branch of Poya Home
November 2019	Set up the Amart Fuxing Branch at Fuxing Road, South Dist. in Taichung City, which was the 220 <sup>th</sup> Branch of Poya International Co., Ltd.
December 2019	Set up the Linkou Wenhua Branch at Sec.1, Wenhua 3 <sup>rd</sup> Road, Linkou Dist. in New Taipei City, which was the 230 <sup>th</sup> Branch of Poya International Co., Ltd.
July 2020	Set up the Chun Ri Branch at Chunri Rd., Taoyuan Dist., Taoyuan City, which was the 240 <sup>th</sup> Branch of Poya International Co., Ltd.
July 2020	Set up the Xitun Fuke Branch at Fuya Rd., Xitun Dist., Taichung City, which was the 10 <sup>th</sup> Branch of Poya Home
September 2020	Set up the Pingtung Neipu Branch at Xueren Rd., Neipu Township, Pingtung County, which was the 250 <sup>th</sup> Branch of Poya International Co., Ltd.
November 2020	Set up the Nanzi Huimin Branch at Huimin Rd., Nanzi Dist., Kaohsiung City, which was the 20 <sup>th</sup> Branch of Poya Home

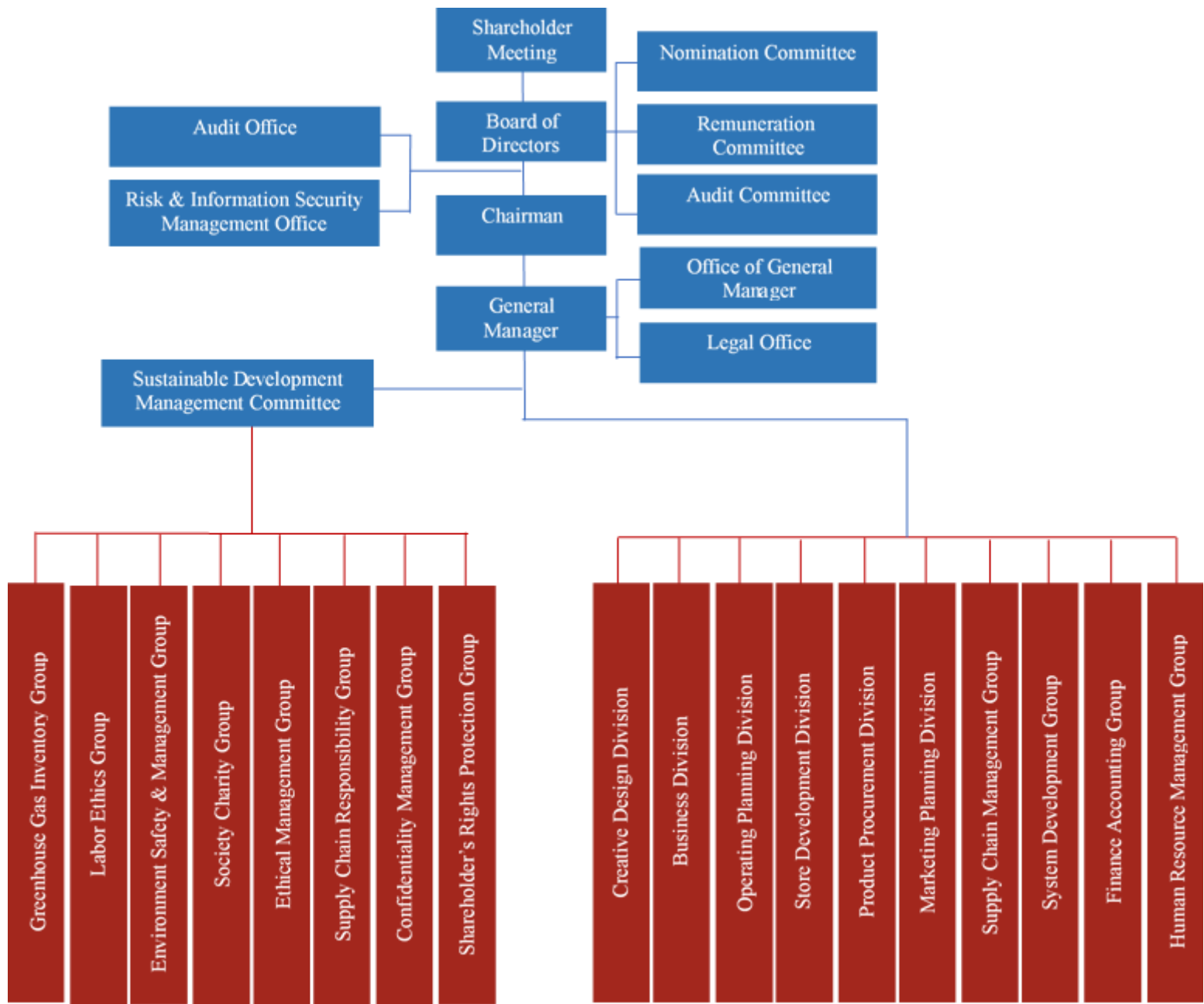
December 2020	Set up the Hsinchu J.Piin Branch at Linsen Rd., East Dist., Hsinchu City, which was the 260 <sup>th</sup> Branch of Poya International Co., Ltd.
June 2021	Set up the Tainan Beian Branch at Sec. 3, Beian Rd., Annan Dist., Tainan City, which was the 270 <sup>th</sup> Branch of Poya International Co., Ltd.
July 2021	Set up the Taichung Henan Branch at Sec. 2, Henan Rd., Xitun Dist., Taichung City, which was the 30 <sup>th</sup> Branch of Poya Home.
November 2021	Set up the Taipei Ruifang Branch at Minsheng St., Ruifang Dist., New Taipei City, which was the 280 <sup>th</sup> Branch of Poya International Co., Ltd.
December 2021	Set up the Miaoli Tongxiao Branch at Zhongshan Rd., Tongxiao Township, Miaoli County, which was the 290 <sup>th</sup> Branch of Poya International Co., Ltd.
November 2022	Set up the Changhua Zhangnan Branch at Zhangnan Rd., Changhua City, Changhua County, which was the 300 <sup>th</sup> Branch of Poya International Co., Ltd.
December 2022	Set up the Pingtung Ziyou Branch at Taiyuan 1st Rd., Pingtung City, Pingtung County, which was the 40 <sup>th</sup> Branch of Poya Home.
December 2022	Set up the Qingpu Linghang North Branch at Linghang North Road, Dayuan District, Taoyuan City, which was the 310 <sup>th</sup> Branch of Poya.
January 2023	Set up the Yanchao Zhongmin Branch at Zhongmin Road, Yanchao District, Kaohsiung City, which was the 320 <sup>th</sup> Branch of Poya.
July 2023	Set up the Niasong Zhongzheng Branch at Zhongzheng Road, Niasong District, Kaohsiung City, which was the 330 <sup>th</sup> Branch of Poya.
September 2023	Set up the Zhubei Sanmin Branch at Sanmin Road, Zhubei City, Hsinchu County, which was the 340 <sup>th</sup> Branch of Poya.
November 2023	Set up the Kaohsiung Veterans General Hospital Branch at Hougang Lane, Renwu District, Kaohsiung City, which was the 350 <sup>th</sup> Branch of Poya.
December 2023	Set up the Rende Zhongshan Branch at Zhongshan Road, Rende District, Tainan City, which was the 360 <sup>th</sup> Branch of Poya.

# Corporate Governance

## Corporate Governance

### I. Organizational Structure

#### 1. Organization Chart



## 2. Responsibilities of key divisions

Division	Main Duties
Sustainable Development Committee	(1) Planning and coordinating of CSR and sustainable development policies. (2) Compile the Sustainability report and submit to the Board of Directors to review and publish. (3) Execute, implement and follow up the annual goals of each functional department.
Risk & Information Security Management Office	(1) Coordinate all departments on the risk identification, assessment, control and supervision to ensure the execution of the risk management policies approved by the Board of Directors, and to respond to the implementation in a timely manner and make necessary recommendations for improvement
Audit Office	(2) Responsible for examining and evaluating the effectiveness of the company's internal control system, and providing management information in a timely manner to facilitate more efficient execution of tasks. (3) Formulate and implement the annual audit plan and prepare the audit reports. (4) Track the improvement of abnormal situations after the inspection.
Office of General Manager	(1) Formulate, analyze and implement the business policy of the Company. (2) Provide managerial advices to each department of the Company. (3) Oversee and manage the branch expansion and collect the market information. (4) Oversee and manage the formulation, evaluation and implementation of each business plan of the Company. (5) Formulate the mid-term and long-term development strategy. (6) Coordinate all departments with management system planning
Legal Office	(1) Manage the insurance of construction and rental contract. (2) Legal related matters, including review and enactment of both internal and external contracts, legal consultation, the litigation management, and the compliance of the domestic and international regulations by the company.
Business Division	(1) Achieve annual goals of sales and profits through store operations management. (2) Implement the activities such as business plan, product display plan and promotion.
Operational Planning Division	(1) Provide guidance and coordinate the store operations to achieve the annual goal of sales and profit (2) Oversee the business plan and product display plan implementation, and supervise the achievement rate of the business goal for each store (3) Implement and keep track of the promotional activities
Store Development Division	(1) Plan and evaluate new store expansion. (2) Investigate into the location for the new store opening. (3) Keep track of the market dynamics (4) Design and decorate the physical store (5) Contract out the branch decoration and renovation.
Product Procurement Division	(1) Introduce and remove products from shelves, propose the promotional products periodically, and explore new suppliers. (2) Product differentiation. (3) Maintain the database of the suppliers.
Marketing Planning Division	(1) Improvement of services, sales promotion, customer relationship management and analysis of other related business scope.
Supply Chain Management Division	(1) Allocate and distribute products among the affiliated shops in the region. (2) Handle the imported merchandises for all physical stores. (3) Provide logistics support to E-commerce activities (B to C). (4) Provide logistics support and product distribution management to the branches by the centralized logistic center (B to B).
System Development Division	(1) Improvement of system automation and transmission of store operation information. (2) Administering the information system planning, development and management; allocating, installing, and removal of faults for the computer hardware and software system.
Finance and Accounting Division	(1) Oversee the financials and shares registration services of the Company. (2) Oversee the funding schedule and handle the transactions between the Company and banks. (3) Fulfill the short-term, mid-term and long-term plan of fund management. (4) Handle all the accounting and tax affairs of the company and budget planning task.
Human Resource Management Division	(1) Administering the personnel and administration affairs, such as the recruitment, employment and dismissal, education and training, evaluation and attendance management, payroll management of human resources. (2) Handle the employee welfare affairs according to the policies of Employee Welfare Committee. (3) Perform the duties relating to the office supplies procurement.
Innovative Design Division	(1) Responsible for the company's brand image, maintain the brand's style and tonality, and develop the company's brand image plan (2) Responsible for visual graphic design, storefront visual design, digital advertising design, and brand

	marketing material design
--	---------------------------

## II. Information on Directors and Management of the Company and Various Departments and Branches

### 1. Profiles of Directors

#### A. Information on Directors

March 30 2024

Title	Nationality or place of incorporation	Name	Gender/ Age	Date Elected to the Board	Term	Date of Initial Election	Shares Held at Time of Election		Current Shareholdings		Shares Held by Spouse or Minor Children		Shareholding by Nominee Arrangements		Education and important experience	Positions held concurrently at Poya and other companies	Spouse or Relatives Within the Second Degree of Consanguinity also Holding Management, Directorial, or Supervisory Positions			Notes
							Shares	Percentage	Shares	Percentage	Shares	Percentage	Shares	Percentage			Title	Name	Relationship	
Chairman	Republic of China	Duo Chin Investment Co., Ltd.	-	2023.05.30	3 yrs	1999.05.10	8,169,840	8.36%	8,584,074	8.29%	0	0%	0	0%	No	No	No	No	No	
	Republic of China	Representative: Chen Jian-Zao	Male 80-85 years old	-	-	-	20,000	0%	11,014	0.01%	184,664	0.18%	0	0%	Pei Men High School; Owner of Chien Chang Herbal Medicine Company	Chairman of Duo Chin Investment Co., Ltd.; Chairman of Chen Ching Investment Co., Ltd.; Chairman of Gao Heng Investment Co., Ltd.; Supervisor of Poya Investment Co., Ltd.	Vice Chairman General Manager	Chen Fan Mei-Jin Chen Zong-Cheng	Spouse Son-in-law	Note
Vice Chairman	Republic of China	Poya Investment Co., Ltd	-	2023.05.30	3 yrs	1999.05.10	8,010,409	8.20%	8,416,560	8.13%	0	0%	0	0%	No	No	No	No	No	
	Republic of China	Representative: Chen Fan Mei-Jin	Female 80-85 years old	-	-	-	175,754	0.17%	184,664	0.18%	11,014	0.01%	0	0%	Kuang Hua Girls High School; Chin Ting Art Gallery, Plant Manager	Chairman of Poya Investment Co., Ltd	Chairman General Manager	Chen Jian-Zao Chen Zong-Cheng	Spouse Son-in-law	
Director and General Manager	Republic of China	Chen Zong-Cheng	Male 55-60 years old	2023.05.30	3 yrs	2003.04.21	6,128,023	6.27%	6,464,680	6.25%	2,567,129	2.48%	0	0%	Information Dept, Feng Chia University; Information Department of Sheng Yu Steel Co., Ltd	General Manager of Poya International Co., Ltd; Chairman of Maersk Investment Co., Ltd.	Chairman Vice Chairman	Chen Jian-Zao Chen Fan Mei-Jin	Father-in-law Mother-in-law	Note

Note: According to regulations, the number of independent director positions was increased during the board election at the shareholders' meeting in 2023.

Director	Republic of China	Chen Ming-Shian	Male 60-65 years old	2023.05.30	3 yrs	2003.06.12	0	0%	0	0%	0	0%	0	0%	Honorary Doctorate Degrees of Science, National Kaohsiung University of Applied Science; Executives Program, Graduate School of Business Administration, National Cheng Chi University; Electronic Engineering,	Chairman and VP of Greater China Business Dept, ST. Shine Optical Co., Ltd.; Director, Shine Optical (Samoa) Holding Groups, Inc.; Director, Shine Optical HK Limited.; Director, 3D Global Biotech	No	No	No	
----------	-------------------	-----------------	----------------------	------------	-------	------------	---	----	---	----	---	----	---	----	---	---	----	----	----	--

Title	Nationality or place of incorporation	Name	Gender/ Age	Date Elected to the Board	Term	Date of Initial Election	Shares Held at Time of Election		Current Shareholdings		Shares Held by Spouse or Minor Children		Shareholding by Nominee Arrangements		Education and important experience	Positions held concurrently at Poya and other companies	Spouse or Relatives Within the Second Degree of Consanguinity also Holding Management, Directorial, or Supervisory Positions			Notes
							Shares	Percentage	Shares	Percentage	Shares	Percentage	Shares	Percentage			Title	Name	Relationship	
															National Kaohsiung University of Applied Science					
Independent Director	Republic of China	Li Ming Hsien	Male 60-65 years old	2023.05.30	3yrs	2018.06.14	0	0%	0	0%	0	0%	0	0%	Masters in Accounting, National Chengchi University; Chief Director, PricewaterhouseCoopers Council Vice Director, PricewaterhouseCoopers	Adjunct Associate Professor, National Cheng Kung University; Vice Director, Zhi Cheng Accounting Firm; Independent Director, Scino Pharm Taiwan, Ltd.; Independent Director, Brogent Technologies Inc.; Independent Director, All Ring Tech Co., Ltd.; Independent Director, Jinyuan President Securities	No	No	No	
Independent Director	Republic of China	Wu Lin-I	Male 50-55 years old	2023.05.30	3yrs	2020.06.23	0	0%	0	0%	0	0%	0	0%	MBA, Tiffin University; Major in Electrical Engineering Tungnan University; General Manager, Peng Cheng Construction Corp.	Chairman, Li Xin Emporium Co. Ltd.; Chairman, Fullon Hotels & Resorts; Director and Vice Chairman, Yamay International Development Corp.; Chairman and General Manager, Peng Cheng Construction Corp.; Chairman, Hi Mall	No	No	No	
Independent Director	Republic of China	Liu Zhi-Hong	Male 50-55 years old	2023.05.30	3yrs	2003.05.13	0	0%	0	0%	0	0%	0	0%	Masters in Actuarial Science, Boston University, U.S.; Masters in Accounting, National Taiwan University; Bachelor's Degree in Accounting, National Chengchi University; School of International Liberal Studies, Waseda University, Tokyo, Japan	Company representative, Thinflex Corporation; Independent director, Symtek Automation Asia Co., Ltd; Independent Director, Sunny Pharmtech Inc.; Company representative, Chien Hsing Information Co., Ltd.; Company representative, Chien Lian Investment Co., Ltd.; Director, Shun Lai Business Consultancy Co., Ltd.; Director, Ever Spring Hotel Co., Ltd.; Director, Ever Spring Enterprise Management Co., Ltd.; Director, Ever Spring Biomedical Co., Ltd.; Supervisor, Victoria Investment Co., Ltd.; Supervisor, Shuo Ren Li Xin Co., Ltd.	No	No	No	



Title	Nationality or place of incorporation	Name	Gender/ Age	Date Elected to the Board	Term	Date of Initial Election	Shares Held at Time of Election		Current Shareholdings		Shares Held by Spouse or Minor Children		Shareholding by Nominee Arrangements		Education and important experience	Positions held concurrently at Poya and other companies	Spouse or Relatives Within the Second Degree of Consanguinity also Holding Management, Directorial, or Supervisory Positions			Notes
							Shares	Percentage	Shares	Percentage	Shares	Percentage	Shares	Percentage			Title	Name	Relationship	
Independent Director	Republic of China	Wu,Meng-Che	Male 50-55 years old	2023.05.30	3yrs	2019.09.25	0	0%	0	0%	0	0%	0	0%	Department of English Language and Literature, Providence University Master in Business Administration, Fairleigh Dickinson University, U.S Executive Assistant to the General Manager at Jingrui Communications Co., Ltd.	General Manager, Doufu Co., Ltd., Director, VNT International Co., Ltd., Director , VN1 International Co., Ltd., Person in charge , Bena Investment Limited Company	No	No	No	

B. List of the top 10 shareholders in the principal shareholders in Poya institutional shareholders listed above who are themselves institutional shareholders

March 30 2023

Name of institutional shareholders	Principal shareholders in Poya institutional shareholders (Proportion of shareholding, %)
Duo Chin Investment Co., Ltd.	Chen Rong-Rong (99.9999%), Chen Jian-Zao (0.0001%)
Poya Investment Co., Ltd.	Chen Shan-Shan (99.9999%), Chen Jian-Zao (0.0001%)

C. Disclosure of Professional Qualifications of Directors and Independence of Independent Directors:

Qualifications Name (Note 1)	Professional qualifications and experience	Independence	Number of independent directorships held in other public companies(note)
Duo Chin Investment Co., Ltd. Representative: Chen Jian-Zao	Graduated from Pei Men High School and was the owner of Chien Chang Herbal Medicine Company. Founder of Poya International, with experience in company operations and management. There are no issues under Article 30 of the Company Law.	Director Chen Fan Mei-Jin is his spouse Director Chen Zong-Cheng is his son-in-law	-
Poya Investment Co., Ltd. Representative: Chen Fan Mei-Jin	Graduated from Kwang Hua Girls High School and was the factory director of Chin Ting Art Gallery. Founder of Poya International, with experience in company operations and management. There are no issues under Article 30 of the Company Law.	Director Chen Jian-Zao is her spouse Director Chen Zong-Cheng is her son-in-law	-
Chen Zong-Cheng	Graduated from Feng Chia University with a bachelor degree in information technology and worked as an information engineer for Sheng Yu Steel Co., Ltd. He has experience in information engineering, company operations and management. There are no issues under Article 30 of the Company Law.	Director Chen Zong-Cheng is his father-in-law Director Chen Fan Mei-Jin is his mother-in-law	-
Chen Ming-Shian	Honorary Doctor Degrees of Science from National Kaohsiung University of Applied Science, Executives program for graduate school of business administration from National Chengchi University, and Electronic Engineering from National Kaohsiung University of Applied Science. He is currently the Chairman of ST. Shine Optical Co., Ltd, with business management and company operations experience. There are no issues under Article 30 of the Company Law.	The director is no interested party directly or indirectly to the company and can execute the business independently.	-
Li Ming Hsien	Graduated from National Chengchi University with a master degree in Accounting, and has the certified public accountants. He was the deputy director of PricewaterhouseCoopers and the Chief director of PricewaterhouseCoopers Council with financial analysis and business administration. There are no issues under Article 30 of the Company Law.	The four independent directors listed here have met the qualification requirements set forth by the Financial Supervisory Commission's " Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies " and Article 14-2 of the Securities and Exchange Act, both during the two years prior to their appointment and throughout their tenure. Furthermore, these independent directors have been granted the authority to fully participate in decision-making and express their opinions in accordance with Article 14-3 of the Securities and Exchange Act, thereby independently executing their relevant duties.	4

Liu Zhi-Hong	Graduated from Boston University, U.S. with a master degree in Actuarial Science, National Taiwan University with a master degree in Accounting, National Chengchi University with the bachelor degree in Accounting, and School of International Liberal Studies in Waseda University. He is currently the company representative of Thinflex Corporation, with accounting and operational management experience. There are no issues under Article 30 of the Company Law.		2
Wu Lin-I	Graduated from Tiffin University with a master degree in business administration, and Electrical Engineering Tunghnan University. He is currently the chairman of Li Xin Emporium Co. Ltd, the Chairman of Fullon Hotels & Resorts, the director and vice chairman of Yamay International Development Corp., the chairman and general manager of Pang Cheng Construction Corp., and the chairman of Hi Mall, with operational management experience. There are no issues under Article 30 of the Company Law.		-
Wu Meng-Che	Graduated from Fairleigh Dickinson University, U.S, with a master in Business Administration. and a bachelor degree from Providence University in English Language and Literature, He was the executive assistant to the General Manager at Jingrui Communications Co., Ltd., and the current general manager of Tofu Restaurant Co., Ltd., the director of VNT International Co., Ltd., the director of VNI International Co., Ltd., and the Person in charge of Bena Investment Limited Company, with operational management experience. There are no issues under Article 30 of the Company Law.		-

Note 1: Li Ming-Hsien, Independent Director, concurrently serves as Independent Director of 4 other public offering companies (including 1 non-domestic company), which complies with the " Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies ".

Note 2: Mr. Liu Zhi-Hong has served as an independent director of the company for more than three terms. However, considering his extensive experience in accounting, familiarity with relevant regulations, and possession of a certified public accountant license, which significantly benefits the company's operational planning and decision-making, he is being reappointed as an independent director of the company.

#### D. Board Diversity and Independence:

In order to strengthen the functions of the board of directors and promote the sound development of the composition and structure of the board of directors, the company has established a diversity policy in accordance with the Corporate Governance Best Practice Principles and the Procedures for Election of Directors. The Company shall formulate appropriate diversity policies with respect to its own operations, business model and development needs, including but not limited to the following two major criteria to ensure that the directors of the company meet specific management objectives of professionalism and diversity: (1) Basic conditions and values: gender, age, etc. (2) Professional knowledge and skills: professional background, professional skills and industry experience, etc.

The current board of directors consists of 8 members, comprising 4 directors and 4 independent directors, with independent directors accounting for 50% of the board. Additionally, There are 5 directors who are not concurrently employees. The four independent directors does not involve any matters affecting their independence under Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and are not interested party

directly or indirectly to the Company. The independent directors are able to keep their independence within the scope of their duties and responsibilities.

The management objectives and implementation of the board diversity policy in 2023 are summarized as follows(see the table below): In accordance to Article 20 of the Company's Corporate Governance Best Practice Principles, the Board of Directors as a whole shall have the competencies to exercise operational judgment, accounting and financial analysis skills, administration capability, crisis management capability, leadership and decision-making capability, industry knowledge and international markets perspective, etc. The current composition of the Board of Directors already possesses the required professional qualifications. our internal goal is one-third of board members seated by female directors. Currently we have one female director out of eight directors (including independent directors), with a female director ratio of 13%. The Company plans to increase our female directors to our board in the future. The company has set a target of having over 50% of independent directors to the board. In the recent election of Board of directors held in 2023, an additional independent director was added to our Board in compliance with regulatory requirements. As such, the independent directors account for 50% of the board, and achieve the set goal. One of the independent directors has served for more than nine years; however, considering his extensive accounting experience, profound knowledge of relevant regulations, and possession of a certified public accountant license, which significantly benefits the company's operational planning and decision-making, he is being reappointed as an independent director of the company.

Diversity of individual directors:

Name	Gender	Operational judgement	Accounting and Financial analysis skills	Administration	Crisis Management	Industrial knowledge	International Markets perspectives	Leadership	Decision Making
Chen Jian-Zao	Male	V		V	V	V	V	V	V
Chen Fan Mei-Jin	Female	V		V	V	V		V	V
Chen Zong-Cheng	Male	V	V	V	V	V	V	V	V
Chen Ming-Shian	Male	V		V	V		V	V	V
Li Ming Hsien	Male	V	V		V				V
Liu Zhi-Hong	Male	V	V	V	V		V	V	V
Wu Lin-I	Male	V		V	V		V	V	V
Wu Meng-Che	Male	V		V	V			V	V

## E. Independence and Professional Expertise of Board Members

Name (Note 1)	Qualifications	More than 5 years of work experience and the below professional qualifications			Independence Ranking (Note 2)												Number of independent directorships held in other public companies
		Holds the position of lecture (or above) at public or private college or university in business, law, finance, accounting or company operations	Holds a license obtained through national examination for the position of judge, district attorney, lawyer, accountant, or similar	Work experience in business, law, finance, accounting or company operations	A	B	C	D	E	F	G	H	I	J	K	L	
Duo Chin Investment Co., Ltd.; Representative: Chen Jian-Zao				✓									✓		✓		-
Poya Investment Co., Ltd. Representative: Chen Fan Mei-Jin				✓									✓		✓		-
Chen Zong-Cheng				✓									✓		✓	✓	-
Chen Ming-Shian				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Li Ming Hsien	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	4
Liu Zhi-Hong		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	2
Wu Lin-I				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Wu Meng-Che				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-

Note 1: The columns shall be adjusted based on the actual circumstances.

Note 2: All board members met with the following conditions for the two years leading up to assuming their posts and while they held their posts. Please place a tick mark "V" in the box under number that represents their situation:

- A. Not an employee of the Company or any of its affiliates.
- B. Not a director or supervisor of the Company or any of its affiliates. (except as an Independent Director of the Company and its parent company, its subsidiary, or the subsidiary with the same parent company, according to the Provision or provision of local country).
- C. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the company or ranks as one of its top ten shareholders.
- D. Not a spouse, relative within the second degree of kinship, or linear relative within the third degree of kinship, of any of the officer in the preceding 1 subparagraph, or any of the above persons in the preceding subparagraphs 2 and 3.
- E. Not a director, supervisor, or employee of an institutional shareholder that directly holds more than 5% or more of the total number of issued shares of the Company, ranks as of its top five shareholders, or has representative director(s) serving on the company's board based on Article 27 of the Company Law. (except as an Independent Director of the Company and its parent company, its subsidiary, or the subsidiary with the same parent company, according to the Provision or provision of local country).
- F. Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the company. (except as an Independent Director of the Company and its parent company, its subsidiary, or the subsidiary with the same parent company, according to the Provision or provision of local country).
- G. Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the company's chairman or CEO(or equivalent) (except as an Independent Director of the Company and its parent company, its subsidiary, or the subsidiary with the same parent company, according to the Provision or provision of local country).
- H. Not a director, supervisor, manager, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company. (except as a specific company or institution holding more than 20% but less than 50% of the issued shares of the Company and being as an independent director of its parent company, its subsidiary, or the subsidiary with the same parent company, according to the Provision or provision of local country).
- I. Other than serving as a compensation committee member of the company, not a professional individual who, or an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliate of the company, or a spouse thereof, and the service provided is an audit service or a non-audit service which total compensation within the recent two years exceeds NTD500,000.
- J. Not having a marital relationship, or a relative within the second degree of kinship to any other director of the company.
- K. Not been a person of any conditions defined in Article 30 of the Company Law.
- L. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.

Note3: Li Ming-Hsien, Independent Director, concurrently serves as Independent Director of 4 other public offering companies (including 1 non-domestic company), which complies with the " Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies ".

2. Profiles of the general manager, vice president, assistant vice president, heads of each division and branch:

Mar 30, 2024

Title	Nationality	Name	Gender	Date Assumed Current Position	Current Shareholdings		Shares Held by Spouse or Minor Children		Shareholding by Nominee Arrangements		Education and experience	Positions Held Concurrently at Other Companies	Spouse or Relatives Within the Second-Degree of Consanguinity also Holding Management, Directorial, Or Supervisory Positions			Note
					Shares	Percentage	Shares	Percentage	Shares	Percentage			Title	Name	Relationship	
General Manager	Republic of China	Chen Zong-Cheng	Male	2000.12.28	6,464,680	6.25%	2,567,129	2.48%	0	0%	Information Dept, Feng Chia University; Information Department of Sheng Yu Steel Co., Ltd	Chairman of Maersk Investment Co., Ltd.	No	No	No	Note
vice president, Finance and Accounting Division	Republic of China	Shen Hong-Yu	Male	2008.11.01	9,241	0.01%	0	0%	0	0%	Graduate School of Finance and Banking, National Chung Cheng University	No	No	No	No	
Vice President, Store Development Division	Republic of China	Ren Shi-Liang	Male	2010.03.10	9,000	0.01%	0	0%	0	0%	National Chin Yi University of Science and Technology	No	No	No	No	
Vice President, Business Planning Division	Republic of China	Lin Chun-Wen	Male	2013.12.01	42,338	0.04%	0	0%	0	0%	Provincial Hsin Feng High School	No	No	No	No	
Assistant Vice President, Product Procurement Division	Republic of China	Kuo Hsu-Ling	Female	2023.04.01	1,000	0%	20	0%	0	0%	Department of Food and Nutrition, Fu Jen Catholic University	No	No	No	No	
Assistant Vice President, System Development Division	Republic of China	Wu Rai-Chin	Male	2006.02.06	8,141	0.01%	0	0%	0	0%	Dept of Computer Science, Soochow University	No	No	No	No	
Assistant Vice President, Audit Office	Republic of China	Hsiao Li-Yuan	Male	2016.05.01	117,893	0.11%	29,127	0.03%	0	0%	Dept of Tourism, Aletheia University	No	No	No	No	
Assistant Vice President, Supply Chain Management Division	Republic of China	Fan Di-Wei	Male	2014.07.01	0	0%	0	0%	0	0%	Graduate School of Logistics Management, National Kaohsiung First University of Science and Technology	No	No	No	No	
Assistant Vice President, Human Resource Management Division	Republic of China	Cheng Chih-Yuan	Male	2019.02.12	1,004	0%	0	0%	0	0%	Graduate School of Business Administration, National Taipei University	No	No	No	No	
Assistant Vice President, Marketing planning Division	Republic of China	Lee Sheng-Yueh	Male	2018.10.08	1,000	0%	0	0%	0	0%	Dept of Business Administration, Fu Jen Catholic University	No	No	No	No	
Director, Legal Office	Republic of China	Wang Shih-Chi	Male	2016.04.01	0	0%	4,073	0%	0	0%	Graduate School of Law, Soochow University	No	No	No	No	

3. Remuneration paid to the directors, supervisors, general manager and the vice president over the past year

A. Director remuneration:

December 31 2023; currency unit: NT\$1, 000

Title	Name	Director remuneration								Summation of A,B,C, and D and as a % of After-tax income (Note 11)		Compensation to Directors Also Serving as Company Employees								Summation of A,B,C,D,E,F and G and as a % of After-tax income		Compensation from parent company and affiliates other than subsidiaries																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							
		Remuneration (A)		Pensions (B)		Director earnings distribution (C)		Business expenses (D)				Salaries, bonuses, and special allowance (E)		Pensions (F)		Employee earnings distribution (G)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
		Poya International	All consolidated companies	Poya International	All consolidated companies	Poya International	All consolidated companies	Poya International	All consolidated companies	Poya International	All consolidated companies	Poya International	All consolidated companies	Poya International	All consolidated companies	The Company		All consolidated companies		Poya International	All consolidated companies																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								

Note 1: The distribution of 2023 employees' and directors' remuneration was passed by the Board of Directors on 2024.02.26.

Note 2: Net profit after tax in FY2023 was NT\$2,525,392,000.

## Remuneration Brackets

Compensation Level	Names of directors			
	A+B+C+D		(A+B+C+D+E+F+G)	
	Poya International	All consolidated companies	Poya International	All consolidated companies
Less than NT\$1,000,000	Chen Zong-Cheng, Chen Ming-Shian, Liu Zhi-Hong,	Chen Zong-Cheng, Chen Ming-Shian, Liu Zhi-Hong,	Chen Ming-Shian, Liu Zhi-Hong, Li Ming-Hsien	Chen Ming-Shian, Liu Zhi-Hong, Li Ming-Hsien

	Li Ming-Hsien Wu Lin-I Wu Meng-Che	Li Ming-Hsien Wu Lin-I Wu Meng-Che	Wu Lin-I Wu Meng-Che	Wu Lin-I Wu Meng-Che
\$ 1,000,000～NT\$ 2,000,000 (exclusive)	0	0	0	0
\$2,000,000～NT\$3,500,000 (exclusive)	0	0	0	0
\$3,500,000～NT\$5,000,000 (exclusive)	Chen Fan Mei-Jin	Chen Fan Mei-Jin	Chen Fan Mei-Jin	Chen Fan Mei-Jin
\$5,000,000～NT\$10,000,000 (exclusive)	Chen Jian-Zao	Chen Jian-Zao	Chen Jian-Zao	Chen Jian-Zao
\$10,000,000～NT\$15,000,000 (exclusive)	0	0	Chen Zong-Cheng	Chen Zong-Cheng
\$15,000,000～NT\$30,000,000 (exclusive)	0	0	0	0
\$30,000,000～NT\$50,000,000 (exclusive)	0	0	0	0
\$50,000,000～NT\$100,000,000 (exclusive)	0	0	0	0
More than NT\$100,000,000	0	0	0	0
Total	8	8	8	8

B. Remunerations to supervisors: Not appliance. (In order to strengthen corporate governance, the company elected independent directors at Shareholder's Meeting on June 10, 2014, and set up an Audit Committee to replace the supervisor in accordance with the Securities and Exchange Act.)

C. The general manager and Vice President remuneration

December 31 2023; currency unit: NT\$1, 000

Title	Name	Salary (A)		Pensions (B)		Bonus and special allowances ( C )		Earnings distribution to employees (D)				Summation of A,B, C, and D as a % of after-tax income		Compensation from affiliates other than subsidiaries
		Poya International	All consolidated companies	Poya International	All consolidated companies	Poya International	All consolidated companies (Note 6)	The Company		All consolidated companies		Poya International	All consolidated companies	
								Cash dividend	Stock dividend	Cash dividend	Stock dividend			
General Manager	Chen Zong-Cheng	5,850	5,850	0	0	0	0	0	4,400	0	4,400	10,250 0.41%	10,250 0.41%	0
Vice President, Finance and Accounting Division	Shen Hong-Yu	2,507	2,507	0	0	0	0	0	1,500	0	1,500	4,007 0.16%	4,007 0.16%	0
Vice President, Business Planning Division	Lin Chun-Wen	2,770	2,770	0	0	0	0	0	1,825	0	1,825	4,595 0.18%	4,595 0.18%	0
Vice President, Store Development Division	Ren Shi-Liang	2,507	2,507	0	0	0	0	0	1,447	0	1,447	3,954 0.16%	3,954 0.16%	0

Note 1: The distribution of 2023 employees' and directors' remuneration was passed by the Board of Directors on 2024.02.26.

Note 2: Net profit after tax in FY2023 was NT\$2,525,392,000.

### Compensation Level

Compensation level	Names of the general manager and the vice president	
	Poya International	All companies in the consolidated statement
Less than NT\$1,000,000	0	0
NT\$ 1,000,000～NT\$ 2,000,000 (exclusive)	0	0
NT\$2,000,000～NT\$3,500,000 (exclusive)	0	0
NT\$3,500,000～NT\$5,000,000 (exclusive)	Shen Hong-Yu, Lin Chun-Wen, Ren Shi-Liang	Shen Hong-Yu, Lin Chun-Wen, Ren Shi-Liang
NT\$5,000,000～NT\$10,000,000 (exclusive)	0	0
NT\$10,000,000～NT\$15,000,000 (exclusive)	Chen Zong-Cheng	Chen Zong-Cheng
NT\$15,000,000～NT\$30,000,000 (exclusive)	0	0
NT\$30,000,000～NT\$50,000,000 (exclusive)	0	0
NT\$50,000,000～NT\$100,000,000 (exclusive)	0	0
More than NT\$100,000,000	0	0
Total	4	4



D. Earnings distribution as remuneration to Company management:

December 31 2023; currency unit: NT\$1,000

	Title	Name	Stock (Note 2)	Cash	Total	Total as a % of After-Tax Income
Management	General Manager	Chen Zong-Cheng	14,623	0	14,623	0.58%
	Vice President, Finance and Accounting Division	Shen Hong-Yu				
	Vice President, Business Planning Division	Lin Chun-Wen				
	Vice President, Store Development Division	Ren Shi-Liang				
	Assistant Vice President, System Development Division	Wu Jui-Chin				
	Assistant Vice President, Supply Chain Management Division	Fan Ti-Wei				
	Assistant Vice President, Audit Office	Hsiao Li-Yuan				
	Assistant Vice President, Human Resource Management Division	Cheng Chih-Yuan				
	Assistant Vice President, Marketing planning Division	Lee Sheng-Yueh				
	Assistant Vice President, Product Procurement Division	Kuo,Hsu-Ling				

Note 1: The distribution of 2023 employees' and directors' remuneration was passed by the Board of Directors on 2024.02.26.

Note 2: The employee remuneration was calculated based on the actual amount which distributed last year.

Note 3: Net profit after tax in FY2023 was NT\$2,525,392,000.

E. The below includes analysis of total remuneration (as a percentage of net income) given to directors, supervisors, general manager, vice president by Poya International and all consolidated companies over the past two years, along with a discussion of the remuneration policies, standards, arrangements, procedures for defining compensation and the relationship between remuneration packages and the company's performance and future risk:

December 31 2023; currency unit: NT\$1, 000

Title	FY 2022				FY 2023			
	Total remunerations		Percentage of net income (%)		Total remunerations		Percentage of net income (%)	
	The Company	All consolidated company	The Company	All consolidated company	The Company	All consolidated company	The Company	All consolidated company
Directors (including Independent Directors)	12,094	12,094	0.58%	0.58%	12,627	12,627	0.50%	0.50%

Supervisors (Note)	0	0	0%	0%	0	0	0%	0%
General manager (also director)	11,310	11,310	0.55%	0.55%	11,210	11,210	0.44%	0.44%
Vice President	-	-	-	-	12,556	12,556	0.50%	0.50%
Total	23,404	23,404	1.13%	1.13%	36,393	36,393	1.44%	1.44%

Note1: Since Poya International set up an Audit Committee on June 10, 2014, there is no remuneration to supervisors paid by Poya International in FY2022 and FY2023.

Note2: All three Vice Presidents of the company were promoted on April 1st, 2023, hence only the compensation for the year 2023 is disclosed.

(1) Remuneration policy, standards, and arrangements:

● Directors and Independent Directors:

In accordance with Article 21-1 of the Company's Articles of Incorporation, if the current year's profit situation (pre-tax profits prior to deduction of employee compensation and director remuneration) is deducted by accumulated deficit, no more than 6% of said surplus shall be distributed as director remuneration. And the "Regulations of Annual Salary for the Chairman and Vice Chairman" has been established. The remuneration of directors is based on the evaluation results of the "Performance Evaluation Measures of the Board of Directors". The evaluation includes self-assessment and peer assessment of the directors' understanding of company goals and missions, awareness of director responsibilities, participation in company operations, internal relationship management and communication, professional qualifications, continuous education, internal control, and other factors, with results presented in 5 levels (details can be found on the official website performance evaluation results). The remuneration distribution takes into account performance assessment results, attendance rate at board meetings (mainly participation in discussions and decision-making related to company operations), and annual participation in professional development activities for directors. The convenor of the committee bears the responsibility of chairing committee meetings and making decisions, hence their remuneration is higher than that of ordinary directors. Directors who are not employees receive only fixed remuneration approved by the Remuneration Committee, including attendance fees for board meetings and other fixed components with no other variable payment.

● Management:

In accordance with Article 21-1 of the Company's Articles of Incorporation, if the current year's profit situation (pre-tax profits prior to deduction of employee compensation and director remuneration) is deducted by accumulated deficit, no lower than 5% of said surplus shall be distributed as employees' compensation. And the "Regulations of Manager's Annual Salary" has been established. Remuneration paid to management is based on the evaluation results of the "Performance Management Measures". The measurement takes into consideration of achievement rate, contribution of management and the company's profitability level and operating performance. If there is any other special contribution or significant negative event, this would be included into performance management measures with fair rewards.

The remuneration of the Company's directors and management are determined in accordance with the Compensation Committee Charter, including cash compensation, stock options, profit sharing and stock ownership, retirement benefits or severance pay, allowances or stipends of any kind, and other substantive incentive measures. Its scope shall be consistent with the compensation for directors and managerial officers as set out in the Regulations Governing Information to be published in Annual Reports of Public Companies.

(2) the procedure for determining remuneration:

The company's directors and managers' relevant performance appraisal and remuneration rationality are regularly evaluated and reviewed by the remuneration committee and the board of directors every year. In addition to referring to the individual's performance achievement rate and contribution to the company, it also considers the company's overall operating performance, future industry risks and development trends. The remuneration system is to be reviewed and adjusted as necessary based on actual operating conditions and relevant regulations. After comprehensively considering the current trend of corporate governance, a reasonable remuneration system is required as the company seeks the balance between the company's sustainable operation and risk control. The remuneration for directors and managers in 2023 is reviewed by the remuneration committee and passed by the board of directors.

(3) The relationship between remuneration and company performance as well as future risk exposure:

● Directors and Independent Directors:

The company reviews the payment standard and system of remuneration based mainly on overall business situation with measurement by operating performance and contribution, to enhance overall performance of the Board of Directors and management. The company also takes into consideration typical remuneration levels paid by other companies to ensure the competitiveness of remuneration level of the company and to retain talent.

● Management:

The management's performance goals are combined with "risk control and management" with important decisions made after balancing various risk factors. The performance of relevant decisions is reflected in the company's profitability. Therefore, the remuneration of the management level is related to the performance of risk control.

#### 4. Implementation of corporate governance

##### A. Operations of the Board of Directors:

### **Operations of the Board of Directors**

As of publication of the Annual Report, there had been a total of 13 (A) meetings of the Board of Directors over the past fiscal year with at least one Independent Director attended in person at each Board meeting. Director attendance is detailed below:

Title	Name	Meetings Attended Personally (B)	Meetings Attended by proxy	Personal Attendance Rate 【B/A】 (Note)	Remarks
Chairman	Duo Chin Investment Co., Ltd. Representative: Chen Jian-Zao	13	0	100%	
Director	Poya Investment Co., Ltd Representative: Chen Fan Mei-Jin	12	0	92%	
Director	Chen Zong-Cheng	13	0	100%	
Director	Chen Ming-Shian	13	0	100%	
Independent Director	Liu Zhi-Hong	12	1	92%	
Independent Director	Li Ming-Xian	13	0	100%	
Independent Director	Wu Lin-Yi	13	0	100%	
Independent Director	Wu Meng-Che	7	1	88%	New appointment on May 30, 2023

Other issues to be noted:

- (1) In the event of either of the following situations, dates, sessions, contents of resolutions of the Board Meetings, opinions from all independent directors, and Company responses to their opinions should be noted
  - A. Issue specified in Article 14-3 of the Securities and Exchanges Act: The Company has set up an Audit Committee, so it is not applicable of Article 14-3 of the Securities and Exchange Act.
  - B. Other issues opposed by independent directors or about which said directors have reservations should be recorded in writing in the meeting minutes of the Board: None
- (2) Execution of directors' recusal of proposals with conflict of interest: If a director has a proposal that has a conflict of interest in the company, he/she should refrain from participating in the discussion and voting. The implementation of directors' recusal is as follows.
- (3) Implementation of conducting evaluations of the Board:

Evaluation Cycle	Execute once a year
Evaluation Period	January 1, 2023 to December 31, 2023
Evaluation Scope	Performance evaluations of the Board of Directors, individual directors and functional committee(Audit Committee, Remuneration Committee and Nominating Committee)
Evaluation Methods	Self-evaluation of operational performance by the board of directors, self-evaluation of the performance by individual directors and peer evaluations.
Evaluation details	<p>The evaluation content shall include the following items according to the evaluation scope</p> <p>(1) Aspects of board performance evaluation:</p> <ul style="list-style-type: none"> <li>• Participation in the Company operations</li> <li>• The quality of board decisions</li> <li>• Board composition and structure</li> <li>• Director selection and continuing education</li> <li>• Internal control</li> </ul> <p>(2) Aspects of individual director performance evaluation:</p> <ul style="list-style-type: none"> <li>• Mastery of the Company goals and tasks</li> <li>• Awareness of directors' duties</li> <li>• Participation in the Company operations</li> <li>• Internal relationship management and communication</li> <li>• Professional competence and continuing education of directors</li> <li>• Internal control</li> </ul> <p>(3) Aspect of functional committee performance evaluation:</p> <ul style="list-style-type: none"> <li>• Participation in the Company operations</li> <li>• Awareness of functional committee's duties</li> <li>• Improve decision-making quality of functional committees</li> <li>• Composition of functional committee and selection of members</li> <li>• Internal control</li> </ul>

- (4) During this and recent fiscal years, Poya International has worked to strengthen the function of the Board (e.g., establishing the Audit Committee and enhancing information transparency) and evaluate the implementation of such measures:
  - A. Proposals which, according to the Company Act and Article of the Securities and Exchanges Act, are to be approved by the Audit Committee before they are sent to the Board for discussion and voting, were approved by the Audit Committee before being adopted and implemented by the Board.
  - B. Poya International passed a resolution to set up a corporate governance supervisor to protect shareholders' rights and strengthen the functions of the board of directors in 2023. In accordance with directives from the regulatory authorities, the company amended the "Regulations on Financial Transactions among Related Parties," "Operating Procedures for the Preparation and Verification of Sustainability Reports," and revised the "Operating Procedures for Handling Significant Internal Information," "Organizational

	Regulations for the Compensation Committee," "Practical Guidelines for Corporate Governance," "Information Security Policy," and "Risk Management Policy."
C.	Poya International passed the revised content of "Sustainable Development Best Practice Principles", "Corporate Governance Best Practice Principles", "Operational Procedures for Lending Funds, Endorsement and Guarantee", "Procedures for acquiring or disposing of assets", and "Rules of Procedure for Shareholders Meetings" in 2022, in accordance with the amended respective regulations by competent authorities.
D.	Poya International passed the revised content of "Corporate Governance Best Practice Principles", "Rules of Procedure for Shareholders Meetings", and "Procedures for Election of Directors" in 2021, in accordance with the amended respective regulations by competent authorities.
E.	Poya International passed the revised content of "Ethical Corporate Management Best Practice Principles", "Rules of Procedure for Shareholders Meetings", "Corporate Social Responsibility Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct", "Regulations Governing Procedure for Board of Directors Meetings", "Audit Committee Charter", "Remuneration Committee Charter", "Charter of Nomination Committee" and "Corporate Governance Best Practice Principles" in 2020, in accordance with the amended respective regulations by competent authorities.
F.	Poya International passed the revised content of "Rules of evaluation of Board of Directors Meetings" in 2019 to implement company's governance, improve function of the Board of Directors, set up objectives with enhancement of efficiency for Board of Directors.
G.	Poya International passed the revised content of "Rules and Procedures of Board of Directors Meetings" and "Audit Committee Charter" in 2018 for an effective Board of Directors.
H.	Poya International has formulated the Procedures for Election of Directors in 2016 to improve corporate governance and implement the company autonomy pragmatically.
I.	Poya International has formulated the measures of performance assessment of the Board of Directors in 2015 to improve the corporate governance and promote the function of the Board of Directors.
J.	Poya International established the Audit Committee and the Nomination Committee in 2014 to strengthen the corporate governance and the mechanism of management
K.	The important resolutions of the board of directors and relevant corporate governance regulations have been uploaded to the investor area of the company's website to strengthen the disclosure of board information

Note: The actual attendance rate shall be calculated based on the number of meetings of the board of directors during their tenure and the number of actual attendance.

Execution of directors' recusal of interest proposals: Directors who have withdrawn from their interests, reasons for withdrawing and voting conditions

Date	Contents of motion	Directors who have withdrawn from their interests, reasons for withdrawing and voting conditions
2023.01.16	The proposal of the year-end bonus for the managers in FY2022	<ol style="list-style-type: none"> <li>Chen Zong-Cheng, Director and General Manager, Shen Hong-Yu, Director of Finance and Accounting Division, Chen Jian-Zao, Chairman, Chen Fan Mei-Jin, Vice Chairman did not participate in discussion and voting due to conflicts of interests as the motion was the resolution of remunerations to themselves or within the second degree of kinship. As such, the independence director, Li Ming-Hsien was assigned as acting chairman.</li> <li>The motion was passed by all the members of Remuneration Committee.</li> <li>Except for the directors who did not participate in discussion according to the "Act on Recusal of Related Person due to Conflicts of Interest", others did not make any objection to the proposal. The proposal was approved as proposed.</li> </ol>
	The proposal of the year-end bonus for the chairman and the vice chairman in FY2022	<ol style="list-style-type: none"> <li>Chen Jian-Zao, Chairman, Chen Fan Mei-Jin, Vice-Chairman and Chen Zong-Cheng, Director and General Manager did not participate in discussion and voting due to conflicts of interests as the motion was the resolution of remunerations to themselves or within the second degree of kinship. As such, the independence director, Li Ming-Hsien was assigned as acting chairman.</li> <li>The motion was passed by all the members of Remuneration Committee.</li> <li>Except for the directors who did not participate in discussion according to the "Act on Recusal of Related Person due to Conflicts of Interest", others did not make any objection to the proposal. The proposal was approved as proposed.</li> </ol>
2023.03.20	Proposed list of director nominees (including independent directors)	<ol style="list-style-type: none"> <li>The motion was passed by all the members of Nomination Committee.</li> <li>Except for the committee member who recused themselves due to a conflict of interest, upon the review of the qualifications of each candidate by the remaining attending committee members, it is agreed to pass the proposal and report it to the regular shareholders' meeting.</li> </ol>
2023.08.21	The proposal of remunerations of individual directors in FY2022	<ol style="list-style-type: none"> <li>Directors Chen Zong-Cheng, who also serves as General Manager, Chen Jian-Zao, Chairman, Chen Fan Mei-Jin, Vice Chairman, and Shen Hong-Yu, Vice President and Corporate</li> </ol>

		<p>Governance Supervisor, have recused themselves from the discussion and voting on this proposal due to their direct involvement or within second-degree blood relations involved in the remuneration distribution. In the absence of the chairperson, Independent Director Li Ming-Xian has been designated as the acting chairperson.</p> <p>2. The motion was passed by all the members of Remuneration Committee.</p> <p>3. Except the directors who did not participate in discussion according to the “Act on Recusal of Related Person due to Conflicts of Interest”, others did not make any objection to the proposal. The proposal was approved as proposed.</p>
	The motion of remuneration distribution to managers in FY2022	<p>1. Directors Chen Zong-Cheng, who also serves as General Manager, Chen Jian-Zao, Chairman, Chen Fan Mei-Jin, Vice Chairman, and Shen Hong-Yu, Vice General Manager and Corporate Governance Supervisor, have recused themselves from the discussion and voting on this proposal due to their direct or second-degree blood relations involved in the remuneration distribution. According to the law, they have left the meeting. In the absence of the chairperson, Independent Director Li Ming-Xian has been designated as the acting chairperson.</p> <p>2. The motion was passed by all the members of Remuneration Committee.</p> <p>3. Except the directors who did not participate in discussion according to the “Act on Recusal of Related Person due to Conflicts of Interest”, others did not make any objection to the proposal. The proposal was approved as proposed.</p>

- B. The operations of the Committee or the participation of the supervisors in the Board of Directors:

### Operations of the Audit Committee

The company elected independent directors at the general meeting of shareholders on June 10, 2014, and set up an Audit Committee to replace the supervisor in accordance with the Securities and Exchange Act.

The Audit Committee held 6 meetings in the most recent year (A), and the attendance of independent directors is as follows

Title	Name	Actual Attendance (B)	Attended by proxy	Actual Attendance rate (%) (B/A) (Note)	Remarks
Independent Director	Liu Zhi-Hong	5	1	83%	
Independent Director	Li Ming-Xian	6	0	100%	
Independent Director	Wu Lin-Yi	6	0	100%	
Independent Director	Wu Meng-Che	3	1	75%	New appointment on May 30, 2023

Note: The actual attendance rate is calculated based on the number of meetings of the Audit Committee during their tenure and the number of actual attendance.

Other issues to be noted:

- A. In the event of either of the following situations, dates, sessions, contents of resolutions of the Board Meetings, opinions from all independent directors, and Company responses to their opinions should be noted

(A) Issues specified in Article 14-5 of the Securities and Exchange Act:

Date of meeting	Contents of Motion	The results of the resolutions of the audit committee and the company's handling of the opinions of the audit committee
2023.02.20 (The 13 <sup>th</sup> Board Session in 3 <sup>rd</sup> term)	<ol style="list-style-type: none"> <li>1. Approved the proposal of "Declaration of Internal Control in FY 2022".</li> <li>2. Approved 2022 Business Report and Financial Statements</li> <li>3. Approved 2022 profit distribution</li> <li>4. Approved the proposal of assessment and appointment of independence and competency of certified public accountants.</li> <li>5. Approved the pre-approval of CPAs, their firms, and affiliated enterprises to provide non-assurance services to the company.</li> </ol>	Approved by all attended members
2023.04.24 (The 14 <sup>th</sup> Board Session in 3 <sup>rd</sup> term)	<ol style="list-style-type: none"> <li>1. Approved the Q1 2023 Business Report and Financial Statements.</li> </ol>	
2023.06.19 (The 1 <sup>st</sup> Board Session in 4 <sup>th</sup> term)	<ol style="list-style-type: none"> <li>1. Approved recommendation for the appointment of the convenor of the fourth term of Audit Committee.</li> </ol>	
2023.7.31 (The 2 <sup>nd</sup> Board Session in 4 <sup>th</sup> term)	<ol style="list-style-type: none"> <li>1. Approved the Q2 2023 Business Report and Financial Statements.</li> <li>2. Approved amendments to the certain provisions of "Internal Procedures for Handling Significant Information and Preventive Measures", and renamed as the "Internal Procedures for Handling Significant Information".</li> <li>3. Abrogation of "Workflow for Related Party Transactions", and introduced "Regulations for Financial Transactions among Related Parties".</li> <li>4. Approved amendments to the certain provisions of "Organizational Regulations for the Compensation Committee" and "Corporate Governance Best Practice"</li> </ol>	

	Principles”.		
2023.10.30 (The 3 <sup>rd</sup> Board Session in 4 <sup>th</sup> term)	<ol style="list-style-type: none"> <li>1. Approved the Q3 2023 Business Report and Financial Statements.</li> <li>2. Approved amendments to “Internal Audit System”.</li> <li>3. Approved amendments to the certain provisions of “Operation Regulations for the System Development Department”, “Information Security Policy”, “Risk Management Policy”, and “Delegation of Authority and Proxy Agent Regulations”.</li> <li>4. Approved to establish “Operational Procedures for the Preparation and Verification of the Sustainability Report”.</li> </ol>		
2023.12.25 (The 4 <sup>th</sup> Board Session in 4 <sup>th</sup> term)	<ol style="list-style-type: none"> <li>1. Approved to formulate the audit plan for the fiscal year 2024.</li> <li>2. Approval of acquisition of right-of-use assets.</li> </ol>		

(B) Other matters not passed by the Audit Committee, which were then agreed upon by two-thirds of the entire membership of the Board of Directors: None

B. In situations where independent directors recuse themselves due to conflict of interest, the independent director’s name, content of the resolution, reason for recusal, and his participation to the resolution: None

C. Communication between independent directors and internal audit managers and external auditors (regarding issues such as Company financial and operational status, procedures, and results):

(A) The Company’s internal audit managers provide Audit Committee members with regular updates on audit report results and follow-up during the Audit Committee Meeting. Items that the Audit Committee and internal audit manager discussed in 2023 are as follows, all independent directors had no opinion:

- (1) Before the end of each fiscal year, the audit plan for the next year will be submitted to the board of directors for resolution after being approved by the audit committee.
- (2) Report to the audit committee on the implementation of audit business on a quarterly basis.
- (3) The internal audit report will be delivered to the audit committee (independent director) for review within one month from the end of the audit.
- (4) For the inspection opinions or the lack of inspection by the competent authority, the audit unit and the internal unit, as well as the matters listed in the internal control system statement that should be strengthened for improvement, continue to follow up and review, and track and evaluate the improvement situation, and submit it to the committee in writing
- (5) The company's annual assessment of the effectiveness of the internal control system and the internal control system statement are submitted to the committee for deliberation

(B) The CPAs report the results of the quarterly financial statement or audit report at the quarterly audit committee meeting. The communication between the Independent Directors and the CPAs for FY2023 is sound, and the independent directors had no opinion.

(C) The company's independent directors and audit supervisor all attend the board meeting each time, and the audit manager reports the internal audit results at each board meeting.

(D) The communication between the head of internal audit department/accountants and the independent directors in FY2023 were as follows:

Date	Independence Director	Content	communication results	Participants
2023.02.20	Liu Zhi-Hong	Reported to the independent director and discussed 2022 Financial Statements alone.	Had no opinion at this meeting	Accountants
2023.07.18	Li Ming-Xian	Reported to the independent director and discussed some amendments to the following agenda alone: “Internal Procedures for Handling Significant Information”, “Regulations for Financial Transactions among Related Parties”, and “Organizational Regulations for the Compensation Committee”.	Had no opinion at this meeting	The head of finance department
2023.10.06	Li Ming-Xian	Reported to the independent director and discussed some amendments to the following agenda alone: “Internal Audit System”, “Operation Regulations for the System Development Department”, “Information Security Policy”, “Operational Procedures for the Preparation and Verification of the Sustainability Report” , and “Risk Management Policy”.	Li Ming-xian, Independent Director, suggested the amendment of certain provisions	The head of internal audit department
2023.10.16	Li Ming-Xian	Reported to the independent director and discussed some amendments to the following agenda alone: “Internal Audit System”, “Operation Regulations for the System Development Department”, “Information Security Policy”, “Operational Procedures for the Preparation and Verification of the Sustainability Report”, and “Risk Management Policy”.	Li Ming-xian, Independent Director, suggested the amendment of certain provisions	The heads of internal audit department, finance department, and information security Department.
2023.10.17	Li Ming-Xian	Reported to the independent director and discussed some amendments to the	Li Ming-Xian, Independent	The head of internal audit department



		"Internal Audit System" alone.	Director, suggested to strengthen internal control inspection procedures	
2023.10.18	Li Ming-Xian	Reported to the independent director and discussed some amendments to the "Internal Audit System" alone.	Had no opinion at this meeting	The head of internal audit department

D. The main works and implementation of the audit committee:

(A) The operation of the audit committee of the company focuses on the supervision of the following matters

- (1) Fair representation of the company's financial statements.
- (2) The appointment (dismissal), independence and performance of certified accountants
- (3) The effective implementation of internal control
- (4) The related regulations and rules which the company shall follow
- (5) The existed and potential risk control

(B) The duties and powers of audit committee cover :

- (1) Establish or amend the internal control system in accordance with Article 14-1 of the Securities and Exchange Law
- (2) The assessment of the effect of internal control system
- (3) Establish or amend procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of loans to others, or endorsements or guarantees for others in accordance with Article 36-1 of the Securities and Exchange Law
- (4) Matters involving the interests of directors
- (5) A material asset or derivatives transaction.
- (6) A material loan, endorsement, or provision of guarantee.
- (7) Raising, issuing or private placement of equity securities
- (8) Appointment, dismissal or remuneration of certified public accountants
- (9) Appointment and dismissal of financial, accounting or internal audit supervisors.
- (10) The annual financial report and semi-annual financial report
- (11) Other material matters required by the Company or the Competent Authority

(C) Operations of audit committee in 2023

Date of meeting	Contents of motion
2023.02.20 (The 13 <sup>rd</sup> Board Session in 3 <sup>rd</sup> term)	<ol style="list-style-type: none"> <li>1. Approved the proposal of "Declaration of Internal Control in FY 2022".</li> <li>2. Approved 2022 Business Report and Financial Statements</li> <li>3. Approved 2022 profit distribution</li> <li>4. Approved the proposal of assessment and appointment of independence and competency of certified public accountants.</li> <li>5. Approved the pre-approval of CPAs, their firms, and affiliated enterprises to provide non-assurance services to the company.</li> </ol>
2023.04.24 (The 14 <sup>th</sup> Board Session in 3 <sup>rd</sup> term)	<ol style="list-style-type: none"> <li>1. Approved the Q1 2023 Business Report and Financial Statements.</li> </ol>
2023.06.19 (The 1 <sup>st</sup> Board Session in 4 <sup>th</sup> term)	<ol style="list-style-type: none"> <li>1. Approved recommendation for the appointment of the convenor of the fourth Audit Committee.</li> </ol>
2023.07.31 (The 2 <sup>nd</sup> Board Session in 4 <sup>th</sup> term)	<ol style="list-style-type: none"> <li>1. Approved the Q2 2023 Business Report and Financial Statements.</li> <li>2. Approved amendments to the certain provisions of "Internal Procedures for Handling Significant Information and Preventive Measures", and renamed as the "Internal Procedures for Handling Significant Information".</li> <li>3. Abrogation of "Workflow for Related Party Transactions", and introduced "Regulations for Financial Transactions among Related Parties".</li> <li>4. Approved amendments to the certain provisions of "Organizational Regulations for the Compensation Committee" and "Corporate Governance Best Practice Principles".</li> </ol>
2023.10.30 (The 3 <sup>rd</sup> Board Session in 4 <sup>th</sup> term)	<ol style="list-style-type: none"> <li>1. Approved the Q3 2023 Business Report and Financial Statements.</li> <li>2. Approved amendments to "Internal Audit System".</li> <li>3. Approved amendments to the certain provisions of "Operation Regulations for the System Development Department", "Information Security Policy", "Risk Management Policy", and "Delegation of Authority and Proxy Agent Regulations".</li> <li>4. Approved to establish "Operational Procedures for the Preparation and Verification of the Sustainability Report".</li> </ol>
2023.12.25 (The 4 <sup>th</sup> Board Session in 4 <sup>th</sup> term)	<ol style="list-style-type: none"> <li>1. Approved to formulate the audit plan for the fiscal year 2024.</li> <li>2. Approval of acquisition of right-of-use assets.</li> </ol>

## Operations of the Remuneration Committee

(1) Profiles of the Remuneration Committee

<div>Qualifications</div> <div>Name (Note 1)</div>	Professional qualifications and experience	Independence	Number of independent directorships held in other public companies(note)
Li Ming-Hsien	Graduated from National Chengchi University with a master degree in Accounting, and has the certified public accountants. He was the deputy director of PricewaterhouseCoopers and the chief director of PricewaterhouseCoopers Council with financial analysis and business administration.	The four independent directors listed here have met the qualification requirements set forth by the Financial Supervisory Commission's " Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies " and Article 14-2 of the Securities and Exchange Act, both during the two years prior to their appointment and throughout their tenure. Furthermore, these independent directors have been granted the authority to fully participate in decision-making and express their opinions in accordance with Article 14-3 of the Securities and Exchange Act, thereby independently executing their relevant duties.	4
Liu Zhi-Hong	Graduated from Boston University, U.S. with a master degree in Actuarial Science, National Taiwan University with a master degree in Accounting, National Chengchi University with the bachelor degree in Accounting, and School of International Liberal Studies in Waseda University. He is currently the company representative of Thinflex Corporation, with accounting and operational management experience.		2
Wu Lin-I	Graduated from Tiffin University with a master degree in business administration, and Electrical Engineering Tunghan University. He is currently the chairman of Li Xin Emporium Co. Ltd, the Chairman of Fullon Hotels & Resorts, the director and vice chairman of Yamay International Development Corp., the chairman and general manager of Pang Cheng Construction Corp., and the chairman of Hi Mall, with operation management experience.		-
Wu Meng-Che	Graduated from Fairleigh Dickinson University, U.S, with a master in Business Administration, and a bachelor degree in English Language and Literature, from Providence University . He was the executive assistant to the General Manager at Jingrui Communications Co., Ltd., and the current general manager of Tofu Restaurant Co., Ltd., the director of VNT International Co., Ltd., the director of VN1 International Co., Ltd., and the Person in charge of Bena Investment Limited Company, with operation management experience.		-

Note 1: Li Ming-Hsien, Independent Director, concurrently serves as Independent Director of 4 other public offering companies (including 1 non-domestic company), which complies with the " Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies " .

Note 2: All independent directors of the company have been verified to have no circumstances falling under any of the provisions of Article 30 of the Company Act.

(2) The Remuneration Committee of Poya International consists of 4 members.

(3) The term of office of the current committee members: May 30, 2023 to May 29, 2026 The Remuneration Committee held 5 meetings (A) in the most recent year, and the attendance of independent directors is as follows:

Title	Name	Actual Attendance (B)	Attended by proxy	Actual Attendance rate (%) ( B / A ) (Note)	Remarks
Convener	Li Ming-Hsien	5	0	100%	
Member	Liu Zhi-Hong	5	0	100%	
Member	Wu Lin-Yi	5	0	100%	
Member	Wu Meng-Che	2	0	100%	New appointment on May 30, 2023

**Other issues to be noted**

- (A) If the Board does not adopt or amends a Remuneration Committee proposal, the Board meeting date, session, content of the resolution, result of the Board vote, and the Company's response to the Remuneration Committee's opinion shall be properly recorded (for example, if the remuneration package approved by the Board is superior to that suggested by the Remuneration Committee, the difference and reasons must be noted): None.
- (B) Should a committee member oppose or retain their opinion regarding any decision made by the Remuneration Committee and their opinion has been recorded or submitted in a written statement, the committee meeting date, session, content of the resolution, opinions of all members, and the response to the opinions shall be recorded: None.
- (C) The discussions and resolutions of the remuneration committee and the company's handling of members' opinions:

Date of meeting	Board meeting	Contents of motion	Resolution	The results of the resolutions of the remuneration committee and the company's handling of the opinions of the audit committee
2023.01.16 (The 13 <sup>th</sup> Board Session in 4 <sup>th</sup> term)	2023.01.16 (The 31 <sup>st</sup> Board Session in 8 <sup>th</sup> term)	1. The proposal of the year-end bonus for the chairman and the vice chairman in FY2022. 2. The proposal of the year-end bonus for the managers in FY2022.	Approved by all attended members	Submitted to the Board sessions, and passed by the remaining attended Directors except for the directors who avoided the discussion due to legal interests.
2023.02.20 (The 14 <sup>th</sup> Board Session in 4 <sup>th</sup> term)	2023.02.20 (The 32 <sup>nd</sup> Board Session in 8 <sup>th</sup> term)	1. The proposal of “Remuneration of directors in FY 2022.		
2023.03.20 (The 15 <sup>th</sup> Board Session in 4 <sup>th</sup> term)	2023.03.20 (The 33 <sup>rd</sup> Board Session in 8 <sup>th</sup> term)	1. The proposal of the establishment of a Corporate Governance Supervisor. 2. The proposal of “Salary Adjustment of Managers in FY2023”.		
2023.06.19 (The 1 <sup>st</sup> Board Session in 5 <sup>th</sup> term)	2023.06.19 (The 2 <sup>nd</sup> Board Session in 9 <sup>th</sup> term)	1. The proposal of recommendation for the appointment of the convenor of the fifth Remuneration Committee.		
2023.08.21 (The 2 <sup>nd</sup> Board Session in 5 <sup>th</sup> term)	2023.08.21 (The 4 <sup>th</sup> Board Session in 9 <sup>th</sup> term)	1. The proposal of “Remunerations of directors in FY 2022”. 2. The proposal of “Remuneration Distribution of Managers in FY 2022”.		
Note: The actual attendance rate is calculated based on the number of meetings of the Remuneration Committee during their tenure and the number of actual attendance.				

**(D) Responsibilities of the Compensation Committee:**

The committee shall exercise due care of a prudent manager and faithfully fulfill the following duties, submitting proposed recommendations to the Board of Directors for discussion:

1. Regularly review the regulation and propose amendments.
2. Formulate and regularly review the annual and long-term performance goals, as well as the policies, systems, standards, and structures of compensation for directors and executives of the company.
3. Periodically assess the achievement of performance goals by directors and executives of the company and establish the content and amount of their individual compensation.

## The operations of Nomination Committee

The Nomination Committee of the Company consists of six directors (including four independent directors), to improve the functions of the board of directors of the company and strengthen the management mechanism.

The Nomination Committee held 2 meetings in the most recent year (A), and the attendance of directors is as follows

Title	Name	Professional qualifications and experience	Actual Attendance (B)	Attended by proxy	Actual Attendance rate (%) ( B / A ) (Note)
Director	Chen Zong-Cheng	Graduated from Feng Chia University with a bachelor degree in information technology and worked as an information engineer for Sheng Yu Steel Co., Ltd. He has experience in information engineering, company operations and management. There are no issues under Article 30 of the Company Law.	2	0	100%
Director	Chen Ming-Shian	Honorary Doctor Degrees of Science from National Kaohsiung University of Applied Science, Executives program for graduate school of business administration from National Chengchi University, and Electronic Engineering from National Kaohsiung University of Applied Science. He is currently the Chairman of Shine Optical Co., Ltd, with business management and company operations experience.	2	0	100%
Independent Director	Li Ming-Hsien	Graduated from National Chengchi University with a master degree in Accounting, and has the certified public accountants. He has experience as the deputy director of PricewaterhouseCoopers and the Chief director of PricewaterhouseCoopers Council with financial analysis and business administration.	2	0	100%
Independent Director	Liu Zhi-Hong	Graduated from Boston University, U.S. with a master degree in Actuarial Science, National Taiwan University with a master degree in Accounting, National Chengchi University with the bachelor degree in Accounting, and School of International Liberal Studies in Waseda University, He is currently the company representative of Thinflex Corporation, with accounting and operational management experience.	2	0	100%
Independent Director	Wu Lin-I	Graduated from Tiffin University with a master degree in business administration, and Electrical Engineering Tungnan University. He is currently the chairman of Li Xin Emporium Co. Ltd, the Chairman of Fullon Hotels & Resorts, the director and vice chairman of Yamay International Development Corp., the chairman and general manager of Pang Cheng Construction Corp., and the chairman of Hi Mall, with operation management experience.	2	0	100%
Independent Director	Wu Meng-Che	Graduated from Fairleigh Dickinson University, U.S, with a master in Business Administration and a bachelor degree in English Language and Literature from Providence University. He was the executive assistant to the General Manager at Jingrui Communications Co., Ltd., and the current general manager of TOFU restaurant Co., Ltd., the director of VNT International Co., Ltd., the director of VNI International Co., Ltd., and the Person in charge of Bena Investment Limited Company, with operation management experience.	-	-	New appointment on May 30, 2023

Note 1: The actual attendance rate is calculated based on the number of meetings of the Nomination Committee during their tenure and the number of actual attendance.

Note 2: All directors of the company have been verified to have no circumstances falling under any of the provisions of Article 30 of the Company Act.

Other issues to be noted:

1. The operations of nomination committee in 2023

Date of meeting	Contents of motion
2023.01.16	1. The proposal of qualification of each convener and members of the committee of the Company in 2023. 2. The assessment of performance of the Board of Directors of the Company in 2022.
2023.03.20	1. The proposal of nomination of director candidates(including independent directors)

2. In situations where independent directors recuse themselves due to conflict of interest, the independent director's name, content of the resolution, reason for recusal, and his participation to the resolution: None

Date	Contents of motion	Directors who have withdrawn from their interests, reasons for withdrawing and voting conditions
2023.01.16	The proposal of qualification of each convener and members of the committee of the Company in 2023.	1. Since this proposal is to resolve the self-interest of each member, the members refrain from leaving the meeting and do not participate in the discussion and voting in accordance with the law. When the chairman leaves the meeting, a director is designated as the acting chairman. 2.Except for the members who did not participate in discussion according to the "Act on Recusal of Related Person due to Conflicts of Interest", all the directors unanimously agreed that there were no members who needed to be replaced after the remaining members present reviewed the qualifications of the convener of each committee and its members, and reported to the board of directors.
2023.03.20	The proposal of nomination of director candidates(including independent directors)	1. When the chairman recused himself and left the room, Director Chen Zong-cheng was designated as the acting chairman. 2. Except for the committee member who recused themselves due to a conflict of interest, upon the review of the qualifications of each candidate by the remaining attending committee members, it is agreed to pass the proposal and report to the board of directors.

3. The Company voluntarily established nomination committee in 2014 and formulated the "Nomination Committee Organization Regulations" in accordance with Article 27 of the "Code of Practice for Governance of Listed Companies". The Company's "Nomination Committee Organizational Regulations" states that the committee, under the authority of the board of directors, shall faithfully perform the following functions and powers with the attention of good managers and submit the proposals to the board for discussion

(1) Identify, review and nominate director candidates

(2) Construct and develop the organizational structure of the board of directors and committees, conduct performance evaluations of the board of directors, committees and directors, and evaluate the independence of independent directors

(3) Formulate and regularly review the director's development plan

C. Differences between Company policy and Corporate Governance Best-Practice Principles for TSE/GTSM Listed Companies and reasons for differences

Item Evaluated	Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief explanation	
1. Did Poya International establish its Corporate Governance Best Practice Principles in accordance with Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and disclose those Principles?	✓		● The Corporate Governance Best Practice Principles has been approved by the Board of Directors on October 27, 2014 and amended by Board of Directors on April 25, 2022. The Principles have been disclosed on investor area at company's official website (www.poya.com.tw) and on MOPS.	●Compliant with the requirements of "Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies".
2. Ownership structure and shareholders' rights: A. Did Poya International establish internal operational procedures for dealing with shareholder suggestions, questions, disputes, and lawsuits and put these procedures into practice?	✓		● In addition to authorizing a share transfer agent to handle relevant affairs, Poya International also established a spokesperson system to deal with shareholders suggestions and disputes, and formulated a code of practice for corporate governance to ensure the rights and interests of shareholders, implementing it in accordance with relevant regulations.	●Compliant with the requirements of "Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies".
B. Does Poya International maintain a list of major Company shareholders and the ultimate owners of these shares?	✓		● Through the assistance of the share transfer agent, Poya International remains fully aware of its major shareholders and regularly reports any changes in shareholding by directors, managers, and major shareholders. ● Apart from natural person shareholders, Poya International maintains a relationship with its major institutional shareholders. If necessary, Poya International can obtain the list of their ultimate owners from these institutional shareholders.	●Compliant with the requirements of "Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies".
C. Did Poya International establish and implement risk control mechanisms and firewalls at the Company and affiliated enterprises?	✓		● Currently, Poya International has no affiliated enterprises regulated by the Company Act.	●Compliant with the requirements of "Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies".

D. Did Poya International establish internal standards to prevent Company personnel from using market information not yet made public to purchase securities?	✓		<ul style="list-style-type: none"> <li>● Poya International has formulated relevant laws and regulations such as the Operational Procedures for Preventing Insider Trading and Handling Material Inside Information, Corporate Governance Best Practice Principles, and Procedures for Ethical Management and Guidelines for Conduct, prohibiting company insiders from using undisclosed information to buy and sell securities.</li> </ul>	<ul style="list-style-type: none"> <li>● Compliant with the requirements of “Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies”.</li> </ul>
3. Composition and responsibilities of the Board of Directors A. Has Poya International established diversified policies, specific management objectives and implementations among members of the Board of Directors?	✓		<ul style="list-style-type: none"> <li>● Poya International has formulated the Code of Practice for Corporate Governance to strengthen the structure of the board of directors, which stipulates that the composition of the board of directors should take into account the diversity policy and its implementation. The nomination and selection of the members of the board of directors of the company is in accordance with the company's articles of incorporation, adopting the candidate nomination system. In addition to evaluating the academic qualifications of each candidate, the company also follows the “Procedures for Election of Director” stipulated by the company.</li> <li>● In accordance with the Corporate Governance Best Practice Principles and the Procedures for Election of Directors, the composition of the Board of Directors shall be considered in a diversified manner and the appropriate policy on diversity should be based on the Company’s business operations, business model and development needs. It is advisable that the policy includes, without being limited to, the following two major criteria: 1) basic requirements and values: gender, age, nationality, etc., 2) professional knowledge and skills: professional background, professional skills and industry experience, etc.</li> <li>● The management objectives and implementation of the board diversity policy in 2023 are summarized as follows: (1) To enhance the criteria of basic requirements and values with our internal goal of one-third of board members seated by female directors, the Company plans to increase female directors to the board in the future. Currently the company has one female director out of eight directors (including independent</li> </ul>	<ul style="list-style-type: none"> <li>● Compliant with the requirements of “Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies”.</li> </ul>

			<p>directors), with a female director ratio of 13%. (2) The company has set a target of having independent directors account for over 50% of the board. In the recent director election held in 2023, an additional independent director seat was added in compliance with regulatory requirements, resulting in independent directors accounting for 50% of the board, thus achieving the set goal. (3)With respect to professional knowledge and skills, for a sound corporate governance, the Board of Directors as a whole shall have the competencies to exercise operational judgment, accounting and financial analysis skills, administration capability, crisis management capability, leadership and decision-making capability, industry knowledge and international markets perspective, etc. The current composition of the Board of Directors already possesses the required professional qualifications.</p> <p>● For details, please refer to the Company's official website for the implementation of diversity policy of individual board of directors.</p>	
<p>B. In addition to the establishment of the Remuneration Committee and Audit Committee as required by law, did Poya International establish committees with other functions of its own accord?</p>	✓		<p>● Poya International has established a remuneration committee in accordance with the law in 2011. In order to strengthen corporate governance, the company voluntarily established an audit committee and a nomination committee in 2014. In the most recent fiscal period, the operation has been good and the operation is listed followed: the Remuneration Committee has been held 5 sessions; the Audit Committee has been held 6 sessions; Nomination Committee has been held 2 session.</p> <p>● In addition to establishing the Remuneration and the Audit Committee as required by law, the Company has also set up a Sustainable Development Committee under the Board of Directors which is responsible for sustainable development policies, systems or related management guidelines and specific promotion plans, and regularly reports the implementation status and results to the directors. The Company will take into consideration the legal environment, Company operations, and management needs in deciding whether or not to establish additional</p>	<p>● Compliant with the requirements of “Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies”.</p>



			functional committees in the future.	
C. Has Poya International established performance evaluation guidelines and evaluation methods for the Board of Directors and does it evaluate its performance regularly each year and report the results to the Board as well as use the results as reference for remuneration and reappointment of Directors?	✓		<ul style="list-style-type: none"> <li>● Poya International has formulated the performance evaluation method of the board of directors, and conducts performance evaluation in accordance with relevant regulations. The company completes self-assessment and peer assessment by the end of the first quarter of the following year. The evaluation is carried out by the finance and accounting department by means of an internal questionnaire. The evaluation questionnaire and its results are disclosed in the investor area of the company's official website and submitted to the board of directors, with improvement suggestions for areas that can be strengthened.</li> <li>● The evaluation content shall include the following items according to the evaluation scope <ul style="list-style-type: none"> <li>• Participation in the Company operations</li> <li>• Improve the quality of board decisions</li> <li>• Board composition and structure</li> <li>• Director selection and continuing education</li> <li>• Internal control</li> </ul> </li> <li>● Aspects of individual director performance evaluation: <ul style="list-style-type: none"> <li>• Mastery of the Company goals and tasks</li> <li>• Awareness of directors' duties</li> <li>• Participation in the Company operations</li> <li>• Internal relationship management and communication</li> <li>• Professional competence and continuing education of directors</li> <li>• Internal control</li> </ul> </li> <li>● Aspect of functional committee performance evaluation: <ul style="list-style-type: none"> <li>• Participation in the Company operations</li> <li>• Awareness of functional committee's duties</li> <li>• Improve decision-making quality of functional committees</li> <li>• Composition of functional committee and selection of members</li> <li>• Internal control</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>● Compliant with the requirements of "Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies".</li> </ul>

		<ul style="list-style-type: none"> <li>● The 2023 performance evaluation for BOD members, Board of Directors, Audit Committee and Remuneration Committee was completed on January 29 2024, with the results suggesting an satisfactory operations of BOD.</li> <li>● Poya International has established "Remuneration Committee Charter" and disclosed on Company's official website. Remuneration Committee would review compensation policy of directors and managers in a professional and objective aspects. Meetings would be held at least once a year or anytime when needed to submit suggestions to the BODs for the decision making. Please refer to p.21~23 in annual report for the operations of Remuneration Committee.</li> </ul>	
D. Does Poya International periodically assess the independence of the Certified Public Accountant?	✓	<ul style="list-style-type: none"> <li>● In accordance with Article 30 of the Code of Practice for Corporate Governance, the company regularly (once a year) evaluates the independence and competency of certified public accountants. With reference to Article 47 of the Certified Public Accountants Act and No.10 of the "Statement of Ethic Code of Conduct" on "Integrity, impartiality and independence", the company formulates independent assessment items, and prepare the " External auditors Review and Evaluation Form", ( Please see Table 2 ) with reference to the Audit Quality Indicators (AQIs), to ensure that the CPA's experience and training hours of accountants are superior to the average level of the industry, and use digital technology in the audit process to improve audit efficiency and ensure audit quality. There's no event that the company engages the same CPA without replacement for 7 years consecutively, nor if the CPA is subject to disciplinary action or other circumstances prejudicial to the CPA's independence. After evaluation, there is no need to replace the accountant. The independence and suitability assessment of the CPA for the most recent fiscal year was approved by the Audit Committee and the Board of Directors on February 26, 2024.</li> <li>● It has been confirmed that the accountant has no relationship with the</li> </ul>	<ul style="list-style-type: none"> <li>●Compliant with the requirements of "Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies".</li> </ul>

			<p>company or directors, except for certification and financial fees:</p> <p>(1) direct or significant indirect financial interest</p> <p>(2) close business relationship</p> <p>(3) potential employment relationship</p> <p>(4) Financing or Guarantee Act</p> <p>After confirming that no family members have violated their independence, the auditors' appointment and fees are reviewed.</p>	
4.	Has Poya international designated eligible personnel and an appropriate number of personnel as well as designated personnel to implement corporate governance related business (including, but not limited to, providing information needed by directors or supervisors to execute their duties, to comply with regulations, matters related to meetings of the Board and shareholder meetings held in accordance to legal requirements, and producing proceedings for the meetings of the Board and shareholders)?		<ul style="list-style-type: none"> <li>● Poya International has set up a Corporate Governance Team, with the general manager as the convener, and the Finance and Accounting Division responsible for corporate governance and integrity management</li> <li>● The board of directors approved on March 20, 2023 that Shen Hong-Yu, Vice President of Finance and Accounting Division, served as the corporate governance supervisor, responsible for corporate governance-related matters, including handling matters related to the meetings of the board of directors, audit committee, remuneration committee, nomination committee and shareholders' meeting in accordance with the law; assisting directors in their appointment and continuous education; providing directors with the necessary information to carry out their duties, and assisting directors to comply with laws and regulations.</li> </ul>	<ul style="list-style-type: none"> <li>● Compliant with the requirements of “Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies”.</li> </ul>

5.	Has Poya International established communication channels with stakeholders (including, but not limited to, shareholders, employees, customers, and suppliers) and set up an area dedicated to stakeholders on the Company website and does the Company respond appropriately to corporate social responsibility issues that stakeholders consider important?	✓		<ul style="list-style-type: none"> <li>● 1. Poya International set up an area for sustainable development and stakeholders on the Chinese official website. Since 2013, Poya International prepared Sustainability report (Corporate Social Responsibility report) voluntarily to illustrate issues of concern to stakeholders and communication channels to help stakeholders to understand the sustainable development and operations.</li> <li>2. The company provides free customer service hotline, e-mail, Facebook community website and investor service contact window to maintain good communication with all stakeholders.</li> <li>3. The company has a corporate governance area and resolutions of the board of directors on the official website for investors to inquire and download relevant information.</li> </ul>	●Compliant with the requirements of “Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies”.
6.	Has Poya International designated an agent specializing in the handling of stock affairs to handle shareholder meeting affairs?	✓		● Poya International has designated Hua Nan Securities Co., Ltd. to handle shareholder meeting affairs	●Compliant with the requirements of “Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies”.
7.	Disclosure				
A.	Has Poya International established a public website to disclose operational, financial, and corporate governance information?	✓		●Poya International has established official websites in Chinese and English for disclosing operational, financial, and corporate governance information. Please see the website: <a href="http://www.poya.com.tw">www.poya.com.tw</a>	●Compliant with the requirements of “Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies”.
B.	Has Poya International adopted other means of information disclosures (such as setting up an English website, designating a specialist responsible for gathering and disclosing the Company’s information, setting up the spokesman system, and uploading recordings of investor conferences on the official websites)?	✓		<ul style="list-style-type: none"> <li>● Poya International has adopted other means of information disclosures:               <ol style="list-style-type: none"> <li>(1) Set up official websites in Chinese and English to disclose relative information.</li> <li>(2) Announce material information in Chinese and English.</li> <li>(3) Announce quarterly reports and monthly operating report within regulated deadline and appoint designated personnel to update Chinese and English websites periodically.</li> <li>(4) Participate in the conferences for institutional investors held by the</li> </ol> </li> </ul>	●Compliant with the requirements of “Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies”.

			<p>securities corporation and the authorities, make a presentation about operation status of the Company and disclose related information on the Chinese and English websites according to related rules and regulations.</p> <p>(5) The spokesman of Poya International announces the Company's information according to the Regulations for the Management of Spokesman. There is one spokesman and one acting spokesman.</p>	
C. Did Poya International announce and declare annual financial report within two months after the fiscal year ended, and announce and declare the first, second, and third quarter and monthly operating situation report before than the deadline?	✓		<ul style="list-style-type: none"> <li>● Poya International declared 2022 and 2023 annual financial reports on February 20, 2023 and February 26, 2024, respectively, within the legal deadline.</li> <li>● The first, second, and third quarter financial reports of 2023 were declared respectively on April 24, July 31 and October30, all earlier than required. The operating reports were declared based on monthly account settlement, but were all completed earlier than required.</li> </ul>	●Compliant with the requirements of “Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies”.
8. Does Poya International have other important information to facilitate better understanding of the Company's corporate governance practices (including, but not limited to current status of employee rights, employee care, investor relations, supplier relations, stakeholder rights, director and supervisor training regimes, risk management policies, risk measurement standards, as well as the implementation of client policies and the Company's purchase of liability insurance for its directors and supervisors)?	✓		<ul style="list-style-type: none"> <li>● (1) Directors' further education: In order to enhance the professional functions of the Company's directors and broaden their knowledge, Poya International has applied the 6-hour courses at home from Taiwan Corporate Governance Association in 2023. In 2023, the courses taken by the directors are mentioned in Table 1 below.</li> <li>(2) The further education for management team is mentioned in Table 1 below.</li> <li>(3) Execution of directors' recusal of interest proposals: the directors of Poya International shall practice high self-discipline and shall not participate in the vote on the resolutions listed by the board of directors if there is a risk of harming the interests of the company. Please refer to Page 17~18 for details on recusal.</li> <li>(4) Purchase of liability insurances for the Company's directors: The directors of the company adhere to the principle of integrity management, and there is no lawsuit or illegal act. Poya International purchased liability insurances for the directors and</li> </ul>	●Compliant with the requirements of “Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies”.

			<p>supervisors from Union Insurance in 2023 with an insured amount of USD\$5 million. The period of insurances is from October 1, 2023 to October 1, 2024.</p> <p>(5) The company discloses financial and business-related information in accordance with the law, and continues to strengthen information transparency. Poya International has also established an investor relations team to provide direct communication between Poya International and investors</p> <p>(6) On July 26, 2021, the Board of Directors approved the establishment of the Risk and Information Security Management Team and enacted the Risk Management Policy and Information Security Policy. The General Manager serves as the convener, and reports the implementation situation to the Board of Directors on a regular basis every year to strengthen the company's identification of major risks, enhance information security and reduce operational risks. The annual risk management and information security implementation situation of 2023 was reported on the 8<sup>th</sup> Board Session in 9<sup>th</sup> term on December 25, 2023.</p> <p>(7) Poya International continues to comply with all laws and regulations of the authorities, and also reviews development of corporate governance domestically and globally to improve the company's internal regulations to strengthen corporate governance operations</p>	
9. Please explain improvements that have been made as well as priorities to improve the results of the Corporate Governance Evaluation issued by the Taiwan Stock Exchange Corporate Governance Center. (The company which is not in list doesn't have to fill the form.)	✓		<p>● The company strengthens corporate governance in accordance with the opinions of the board of directors, evaluates its corporate governance evaluation, and discusses with the competent authority for improvements, with improved situation as follows:</p> <p>A. Establish and revise relevant regulations on corporate governance according to laws and policies.</p>	<p>● Compliant with the requirements of "Corporate Governance Best Practice Principles by TWSE/GTSM-listed Companies".</p>

			<p>B. Enhance English official website to fortify the information transparency.</p> <p>C. Announce material information in Chinese and English to fortify the integrity and fairness of information disclosure.</p> <p>D. Establish the risk and information security management team and formulate the Risk Management Policy and Information Security Policy, and regularly report the implementation to the Board of Directors to strengthen the company's identification of major risks, enhance information security and reduce operational risks.</p> <p>E. Formulate the Intellectual Property Rights Management Policy and regularly report the implementation to the Board of Directors. Poya International will continue to promote the implementation of intellectual property management, improve the corporate governance structure, and avoid damage to operations caused by infringement lawsuits.</p> <p>F. Disclose policies related to sustainable development, climate change assessments and countermeasures on the official website, which are regularly tracked by the Sustainable Development Management Committee to reduce risks and maintain corporate growth momentum.</p> <p>G. Report at a general shareholder meeting the remuneration received by directors, including the remuneration policy, individual remuneration package, and amount.</p> <p>H. Obtained external verification of the sustainability report, and uploaded the English version of the sustainability report to MOPS and the company website.</p> <p>I. Disclose the implementation status and results of the internal performance assessments of the board of directors and functional committees on the company website.</p> <p>J. The company advanced the shareholders meeting to the end of May.</p>	
--	--	--	---	--

			<p>●In response to the revision of the 11th Corporate Governance Assessment Indicators, the Company's priority enhancements are described below.</p> <p>(1) In accordance with the "Sustainable Development Roadmap of Listed Companies" to continue to construct and promote greenhouse gas inventory, and report the relevant schedule and progress to the board of directors on a quarterly basis.</p> <p>(2) Disclosure policy regarding the linkage between executive compensation and ESG performance evaluations for senior management.</p> <p>(3) Disclosure of at least two webcast links for corporate conferences.</p> <p>(4) Formulate policies for reducing greenhouse gas emissions and managing water usage, and disclose reduction targets, implementations, and achievements.</p> <p>●The Company will continue to improve for the part that has not yet been scored.</p>	
--	--	--	--	--

Table 1 Continuing education taken by directors and managers:

Title	Name	Date of office	Date of training	Organizer	Name of course	Hours of study	Compliant or not
Chairman	Chen Jian-Zao	2017.06.13	2023.09.25	Taiwan Corporate Governance Association	Ways to Prevent and Address Insider Trading. The Risk and Opportunities of Climate Change and Net-Zero Emission Policies for Business Operations	6	Yes
Vice Chairman	Chen Fan Mei-Jin	2017.06.13	2023.09.25	Taiwan Corporate Governance Association	Ways to Prevent and Address Insider Trading. The Risk and Opportunities of Climate Change and Net-Zero Emission Policies for Business Operations	6	Yes
Director and General Manager	Chen Zong-Cheng	2017.06.13	2023.09.25	Taiwan Corporate Governance Association	Ways to Prevent and Address Insider Trading. The Risk and Opportunities of Climate Change and Net-Zero Emission Policies for Business Operations	6	Yes
Director	Chen Ming-Shian	2017.06.13	2023.09.25	Taiwan Corporate Governance Association	Ways to Prevent and Address Insider Trading. The Risk and Opportunities of Climate Change and Net-Zero Emission Policies for Business Operations	6	Yes
Independent Director	Liu Zhi-Hong	2017.06.13	2023.09.25	Taiwan Corporate Governance Association	Ways to Prevent and Address Insider Trading. The Risk and Opportunities of Climate Change and Net-Zero Emission Policies for Business Operations	6	Yes



Independent Director	Wu LinYi	2017.06.13	2023.09.25	Taiwan Corporate Governance Association	Ways to Prevent and Address Insider Trading. The Risk and Opportunities of Climate Change and Net-Zero Emission Policies for Business Operations g.	6	Yes
Independent Director	Li Ming Xian	2020.06.23	2023.09.25	Taiwan Corporate Governance Association	Ways to Prevent and Address Insider Trading. The Risk and Opportunities of Climate Change and Net-Zero Emission Policies for Business Operations	6	Yes
Independent Director	Wu Meng-Che	2023.05.30	2023.08.09 2023.10.11	Taiwan Corporate Governance Association, Taiwan Stock Exchange & OTC Listed Companies Association	The impact of carbon pricing on business operations Competing for Talent: Exploring Key Issues in Employee Reward Strategies.	6	Yes
Vice President of Finance and Accounting Division, Director of Corporate Governance	Shen Hong-Yu	2008.11.01	2023.11.16~2023.11.17	National Cheng Kung University	Trends in Corporate Governance and Sustainable Development, and New Insights into Financial and Tax Regulations Adding Value to Corporate Greenhouse Gas Inventories: From Carbon Reduction Pathways to Carbon Trading and Carbon Accounting Repositioning Financial Personnel through Case Studies of Corporate Crime and Ethical Violations: The Intersection of Ethics, Morality, and Law The Latest Topics in Finance and Taxation: Practical Insights into Profit-seeking Enterprise Income Tax Audits by the National Taxation Bureau	12	Yes
		2023.04.01	2023.05.22~2023.05.23 2023.06.26 2023.07.26 2023.08.24 2023.09.25	Securities Exchange Counter Taiwan Corporate Governance Association	Seminar on Advocacy of Sustainable Development Action Plans for Listed Companies Risks and Opportunities of Climate Change Trends for Business Operations Practical Sharing Seminar on Board Performance Evaluation Risks and Opportunities of Climate Change and Net Zero Emissions Policies for Business Operations Insider Trading Prevention and Response Seminar on Explanation of Internal Shareholder for Over-the-Counter and Emerging Stocks	18	Yes

Table 2 CPA Evaluation Form

1. Review of independence requirements ( “No” for any of the following items should further understand the specific facts)					
item	Evaluation content				Note
		Yes	No	N/A	
01	The CPA, or the spouse or a minor child thereof, doesn't has invested in the Company, or shares in financial gains therewith.	V			
02	The CPA, or the spouse or a minor child thereof, doesn't has lent or borrowed funds to or from the Company. However, this does not apply if the client is a financial institution and the borrowing or lending is part of a normal business relationship.	V			
03	The accounting firm did not issue an assurance report on the design or assistance in the effective operation of the financial information system.	V			
04	The CPA or members of the audit service team have not served as directors or managers of the company or held positions that have a significant impact on audit cases at present or in the past two years.	V			
05	The non-audit services provided to the Company do not directly affect the important items of the audit case.	V			
06	The CPA or members of the audit services team are not promoting or intermediary stock or other securities issued by the Company.	V			
07	The CPA or members of the audit service team do not represent the company in defense of legal cases or other disputes between the company and third parties, except for business permitted by law.	V			
08	The CPA or the audit services team member is not a spouse, lineal relative, direct relative by marriage, or a collateral relative within the second degree of kinship	V			

	of any director or managerial officer of the Company or personnel who have significant influence on audit cases.				
09	The joint CPA who has retired within one year has not served as a director or manager of the company or has a position that has a significant impact on the audit case.	V			
10	The CPA or members of the audit service team have not received gifts or special favors of great value from the Company or directors or managers or major shareholders.	V			
11	The CPA is not currently employed by the Company to perform routine work for which he or she receives a fixed salary, or currently serves as a director.	V			
12	The CPA has not provided audit services to the Company for seven consecutive years.	V			

2. Review of Independent Operations ( “No” for any of the following items should further understand the specific facts)

item	Evaluation content				Note
		Yes	No	N/A	
01	Has the CPA recused and not undertaken the appointment that has a direct or significant indirect interest relationship with the CPA and affects its impartiality and independence?	V			
02	When the CPA provides audit, review, check, or project review of financial statements and prepares an opinion, in addition to maintaining independence in substance, do they also maintain formal independence?	V			
03	Do the members of the audit service team, other joint CPA or shareholders of accounting firms, accounting firms, firm affiliates and alliance firms also maintain independence from the company?	V			

04	Is the CPA carrying out professional services with integrity and rigorous attitude?	V			
05	Have the CPA maintained a fair and objective position when performing professional services, and have they avoided prejudice, conflicts of interest or interests affecting their professional judgment?	V			
06	There is no lack of or loss of independence that affects integrity and impartiality of the CPA.	V			
3.Competency Review( “No” for any of the following items should further understand the specific facts)					
item	Evaluation content				Note
		Yes	No	N/A	
01	The CPA has no record of disciplinary action by the Accountant Disciplinary Committee in the last two years.	V			
02	Does the accounting firm have sufficient scale, resources and geographic coverage to handle corporate audit services?	V			
03	Does the accounting firm have clear quality control procedures? Does the aspect covered include the level and key points of the review process, the way audit issues and judgments are handled, independent quality control inspections, and risk management?	V			
04	Does the accounting firm notify the board of directors (audit committee) of any significant issues and developments in risk management, corporate governance, financial accounting and related risk control in a timely manner?	V			

D. Implementation of Sustainable Development Implementation

The promotion of sustainable development and the variations (if any) with the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies:

Item	Status			Variations (if any) with the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief explanation	
1. Has Poya International established governance structure and set up a dedicated (part-time) unit to promote sustainable development, which is authorized by the board of directors to handle senior management, and supervised by the Board of Directors?	✓		<ul style="list-style-type: none"> <li>● Governance Structure Poya International formulated the code of practice for corporate social responsibility in October 2014. On February 21, 2022, the Board of Directors approved and renamed as Sustainable Development Best Practice Principle and changed the name of Corporate Social Responsibility Management Committee to Sustainable Development Management Committee, chaired by General Manager, responsible for the planning of sustainable development related strategies, and the review and improvement of implementation results. The implementation shall be made by various functional teams. In 2022, the company established a greenhouse gas inventory team to complete greenhouse gas inventory and verified information disclosure in accordance with the legal schedule.</li> <li>● Implementations 1. Poya International has appointed Finance and Accounting Division as the exclusive (or concurrently) division being in charge of the formulation and implementation of sustainable development policies, systems and action plans. The execution of sustainable development shall be illustrated in</li> </ul>	<ul style="list-style-type: none"> <li>● Compliant with the requirements of “Sustainable Development Best Practice Principles by TWSE/GTSM- listed Companies”.</li> </ul>

Item	Status			Variations (if any) with the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief explanation	
			<p>the annual report and official website</p> <p>2. Sustainable Development Management Committee would collect and organize opinions from interested parties' feedback to evaluate countermeasures in the end of each year and carry out after convener approves based on PDCA. The communication with stakeholders was reported to the Board of Directors on December 25, 2023.</p> <p>3. The 2022 Sustainability Report compiled by the Sustainable Development Management Committee was approved by the Board of Directors on August 21, 2023 and released to the MOPS and official website to help stakeholders understand the company's sustainable development and operation status.</p> <p>4. In 2023, the Sustainable Development Management Committee reported twice to the Board of Directors. The Sustainability Report was approved on August 21, 2023, and the stakeholder communication report was presented on December 25, 2023.</p> <p>● Supervisory of the board of directors</p> <p>The Board of Directors reviews the progress of the strategy on an annual basis, and urges the management team to make adjustments when necessary. During the meeting, the sustainable development management committee reports the implementation results of the company's operations and the</p>	

Item	Status			Variations (if any) with the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief explanation	
			sustainable issues concerned by stakeholders, and outlines the annual plan. The Board of Directors assists in ensuring that the sustainable development strategy is fully implemented in the daily operations.	
2. Has Poya International conducted risk assessment on environmental, social and corporate governance issues related to its operations in accordance with the materiality principle and formulated relevant risk management policies or strategies?	✓		<ul style="list-style-type: none"> <li>● The company disclosed information covering the company's sustainable development performance from January to December 2023. The risk assessment boundary refers to all branch locations of the company..</li> <li>● The Sustainable Development Committee conducts analysis based on the materiality principles outlined in the sustainability report. It communicates with internal and external stakeholders and evaluates significant ESG issues by reviewing domestic and international research reports, literature, and integrating assessment data from various departments. Based on this assessment, the committee formulates effective risk management policies for identifying, measuring, evaluating, supervising, and controlling risks. It also implements concrete action plans to mitigate the impact of these risks.</li> <li>● Poya International established the Risk and Information Security Management Team on July 26, 2021, and established the Risk Management Policy and Information Security Policy, identifying significant risks such as market, operational, financial, environmental and</li> </ul>	● Compliant with the requirements of “Sustainable Development Best Practice Principles by TWSE/GTSM- listed Companies”.

Item	Status			Variations (if any) with the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief explanation	
			climate, information security, public safety, and other risks that may cause significant losses to the company. Based on the assessed risks, relevant risk management policies or strategies were developed. For detailed information on the implementation status of risk management, please refer to page 59-60 of the annual report.	
3. Environment Issue A. Has Poya International set up an appropriate environmental management system that is specifically designed to the industry that Poya operates?	✓		● Poya International belongs to retail industry and dedicates to save energy, reduce carbon and greenhouse gas emissions. Since there is no sewage, chemicals, gas, noise and waste generated from operations, ISO 14001 or other related specifications is not applicable for Poya International.	● Compliant with the requirements of “Sustainable Development Best Practice Principles by TWSE/GTSM- listed Companies”.
B. Has Poya International endeavored to make more efficient use of resources and use renewable materials that have a lower impact on the environment?	✓		● Poya International dedicates to introduce specific energy-saving solutions and improving energy efficiency in a reasonable range. In terms of paper resources,, Poya International adopts electronic system and electronic paper brochure for file review and approval to reduce paper waste (In 2023, the carbon reduction from electronic invoices amounted to 245 metric tons). In terms of electric power, energy-saving lighting fixtures, air conditioning controllers, and heat-insulating building materials are introduced to reduce energy consumption and carbon emissions (In 2023, the average electricity consumption per store of Poya was 231,706 kWh, a decrease of	● Compliant with the requirements of “Sustainable Development Best Practice Principles by TWSE/GTSM- listed Companies”.



Item	Status			Variations (if any) with the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief explanation	
			<p>11% compared to 2022).</p> <ul style="list-style-type: none"> <li>● Poya has promoted the solar energy project in the Kaohsiung logistics center. The annual power generation can reach more than 2.45 million degrees, which can reduce the temperature in the logistics center to decrease energy consumption.. For detailed statistics, energy saving and carbon reduction plans and implementation, please refer to the company's sustainability report.</li> <li>● At present, the company does not utilize renewable energy or materials. However, we are planning to evaluate the feasibility and practices of integrating renewable energy equipment in the future. Our goal is to increase the proportion of renewable energy usage as much as possible.</li> </ul>	
C. Does Poya International evaluate potential risks and opportunities of climate change for the Company now and in the future, and make countermeasures to issues related to climate change?	✓		<ul style="list-style-type: none"> <li>● Poya established a greenhouse gas inventory team in 2022 to conduct regular greenhouse gas inventory, effectively control the greenhouse gas emissions generated by operations, and further formulate energy-saving and carbon-reduction actions to comply with regulatory changes.</li> <li>● In accordance with the TCFD framework, the company discloses the corporate governance, strategies, risk management, indicators and objectives of climate-related risks and opportunities in the sustainability report; assesses the impact of climate risks on the company's operations, and formulates corresponding strategies. When necessary,</li> </ul>	● Compliant with the requirements of “Sustainable Development Best Practice Principles by TWSE/GTSM- listed Companies”.

Item	Status			Variations (if any) with the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies																								
	Yes	No	Brief explanation																									
			management indicators and goals will be set to strengthen the company's control of specific climate risks and grasp of opportunities. For more details, please refer to page 76 of the annual report.																									
D. Did Poya International calculate greenhouse gas emissions, water use and total weight of waste in the past two years and did it establish policies for saving energy, carbon reduction, reduction of water use, as well as waste management?	✓		<div>● Through e-internal management, e-store operational management and other energy-saving control in the daily operations, the company aims to achieve the energy saving target. Regarding statistics for the past two years and details of means and effects for energy saving and carbon reduction, please see Sustainability report.</div> <table><tr><th>Year</th><th>2022</th><th>2023</th></tr><tr><td>Greenhouse Gas Emissions Scope 1 (tons)</td><td>1,494</td><td>2,182</td></tr><tr><td>Greenhouse Gas Emissions Scope 2 (tons)</td><td>45,734</td><td>46,451</td></tr><tr><td>Greenhouse gas emission intensity (CO2e/million sales)</td><td>2.42</td><td>2.20</td></tr><tr><td>Total water consumption (degrees)</td><td>187,261</td><td>193,421</td></tr><tr><td>Average water usage per store(degrees)</td><td>639</td><td>592</td></tr><tr><td>Waste recovery (tons)</td><td>2,293</td><td>2,352</td></tr><tr><td>Waste recycling (per million revenue)</td><td>0.1177</td><td>0.1065</td></tr></table>	Year	2022	2023	Greenhouse Gas Emissions Scope 1 (tons)	1,494	2,182	Greenhouse Gas Emissions Scope 2 (tons)	45,734	46,451	Greenhouse gas emission intensity (CO2e/million sales)	2.42	2.20	Total water consumption (degrees)	187,261	193,421	Average water usage per store(degrees)	639	592	Waste recovery (tons)	2,293	2,352	Waste recycling (per million revenue)	0.1177	0.1065	<div>●Compliant with the requirements of “Sustainable Development Best Practice Principles by TWSE/GTSM- listed Companies”.</div>
Year	2022	2023																										
Greenhouse Gas Emissions Scope 1 (tons)	1,494	2,182																										
Greenhouse Gas Emissions Scope 2 (tons)	45,734	46,451																										
Greenhouse gas emission intensity (CO2e/million sales)	2.42	2.20																										
Total water consumption (degrees)	187,261	193,421																										
Average water usage per store(degrees)	639	592																										
Waste recovery (tons)	2,293	2,352																										
Waste recycling (per million revenue)	0.1177	0.1065																										

Item	Status			Variations (if any) with the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief explanation	
<p>4. Social Issue</p> <p>A. Has Poya International established management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?</p>	✓		<ul style="list-style-type: none"> <li>● Poya International complies with local laws and decrees in every branches in Taiwan, also provides a friendly and safe working environment and treats full-time, part-time employees and interns with dignity in compliance with “The Universal Declaration of Human Rights”, ”International Labor Standards”, “The UN Global Compact” and “Business &amp; Human Rights Resource Centre” voluntarily to enforce the conscious of human rights of employees and interested parties.</li> <li>● Specific management and practices include: Prohibiting any unlawful discrimination, human trafficking, and the use of child labor; Implementing workplace diversity in employment to ensure equal opportunities, training, welfare, performance evaluation, and promotion; Respecting employees' freedom of association and maintaining open communication channels with them to create a harmonious work environment; Providing diverse communication channels to ensure the rights of stakeholders. Conducting regular audits on occupational health and safety and labor conditions every year; And through comprehensive education and training, rewarding long-term service, and nurturing talented individuals; Organizing annual health check-ups to enhance employee health awareness. By</li> </ul>	<ul style="list-style-type: none"> <li>● Compliant with the requirements of “Sustainable Development Best Practice Principles by TWSE/GTSM- listed Companies”.</li> </ul>

Item	Status			Variations (if any) with the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief explanation	
			<p>establishing comprehensive systems and mechanisms, jointly creating a friendly working environment.</p> <p>● For details of human rights policies, concerns and specific practices, please refer to the sustainable development section of the company's official website.</p>	
B. Does Poya International have and implement employee welfare measures, including bonuses, holidays, and other benefits and is its operational performance and achievements reflected in their pay?	✓		<p>● Poya International emphasizes fairness on compensation system regardless of age, race and gender. Every employee is treated based on equal pay for equal work and provided wage superior to government's minimum wage. Promotion and salary adjustments are made through regular comprehensive performance appraisals (The median salary of full-time employees in non-supervisory positions in 2023 increased by 9% compared to 2022), in addition to providing business performance bonuses based on individual performance, Poya International shares operating results with colleagues in the form of shareholding dividends to create a competitive reward system. In addition, Poya International also provides comprehensive welfare measures for employees, including subsidy for parties, health examination, festival gift coupon and birthday gift coupon, matrimonial gifts and subsidy for funerals, subsidy for hospitalization and other related benefits. Regarding details of employees' welfare, please</p>	<p>● Compliant with the requirements of “Sustainable Development Best Practice Principles by TWSE/GTSM- listed Companies”.</p>

Item	Status			Variations (if any) with the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief explanation	
			<p>refer to 2022 Sustainability report of the Company on p.40~48.</p> <ul style="list-style-type: none"> <li>● According to article of incorporation, if the profit situation (pre-tax profits prior to deduction of employee compensation and director remuneration) is deducted by accumulated deficit, no lower than 5% of said surplus shall be distributed as employees' compensation.</li> </ul>	
C. Does Poya International provide employees with a safe and healthy working environment and regularly implement safety and health education programs for employees?	✓		<ul style="list-style-type: none"> <li>● All employees are provided with labor insurance and national health insurance by Poya International, and enjoy the right to insurance payment in accordance with relevant laws and regulations. Poya International has arranged routine inspection on public safety, labor safety training courses and employee physical examination annually, and regularly conducts fire safety inspections in various facilities of dormitories, branches and head office, to ensure all employees have a safe and health working environment.</li> <li>● A website for employees has been set up to provide employees with a discussion area, a proposal area, a download area for assignment forms and various manuals, providing a channel for employees to express their opinions and interactive learning. For the sexual harassment prevention, the company formulates grievance regulations and punitive clauses to maintain gender equality and a safe and secure working environment.</li> </ul>	● Compliant with the requirements of "Sustainable Development Best Practice Principles by TWSE/GTSM- listed Companies".

Item	Status			Variations (if any) with the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief explanation	
			<p>●In 2023, the hours of labor safety training was 1,656 hours, and Poya International had no major occupational accident that caused the death of external or internal employees due to company facilities, policies or projects. In 2023, a work commute traffic accident resulted in one employee suffering permanent partial disability. In order to reduce the occurrence of such incidents, internal efforts have been intensified to enhance safety awareness among employees and ensure safe commuting. Regarding the statistics for occupational safety and work-related injuries, please refer to Sustainability report of the Company for details.</p> <p>●In 2023, there was one incident of an outdoor fire caused by improperly discarded cigarette butts. Fortunately, there were no casualties, and the damage was limited to approximately NT\$26,000. Each Poya store is equipped with fire extinguishers, and fire safety declarations are made every six months to ensure the safety of all employees and customers.</p>	
D. Has Poya International established an effective career skills development training program for employees?	✓		<p>●Poya International has designed a training program and disclosed related information of such program on the official website:  <a href="https://www.poya.com.tw/about/recruit">https://www.poya.com.tw/about/recruit</a></p>	●Compliant with the requirements of “Sustainable Development Best Practice Principles by TWSE/GTSM- listed Companies”.

Item	Status			Variations (if any) with the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief explanation	
E. Does Poya International's product and service marketing and labeling adhere to relevant laws and regulations and international standards as well as the laws and regulations related to customer health and safety and personal information and has it established policies and grievance procedures to protect consumer protection rights?	✓		<ul style="list-style-type: none"> <li>●Poya International sells products in compliance with the related regulations and guidelines.</li> <li>●In response to the amendment of the Personal Information Protection Act and the establishment of the "Personal Data File Security Maintenance Management Measures" by the Ministry of Economic Affairs, Poya revised the "Personal Data File Security Maintenance Plan" in 2024. We have designated responsible units to manage and protect customer privacy. Through personal data inventory and risk assessment, internal audits, education and training, incident prevention notification, and response mechanisms, we ensure the security of customer data.</li> <li>●Poya International has appointed designated personnel to handle the complaints of customers. The customer complaint hotline is: 0800-033168.</li> </ul>	●Compliant with the requirements of "Sustainable Development Best Practice Principles by TWSE/GTSM- listed Companies".
F. Has Poya International established supplier management that requires that suppliers adhere to regulations dealing with such issues as the environment, workplace safety and health, worker rights and, if so, what is the status of implementation?	✓		<ul style="list-style-type: none"> <li>●Poya has established a "Supplier Management Policy" to screen suppliers based on criteria related to environmental protection, human rights, safety, health, and sustainable development. We also set expectations and requirements for suppliers regarding environmental health and safety risks, prohibition of child labor, labor management, respect for fundamental labor rights, ethical standards, and integrity in business operations.</li> <li>● Poya International takes some steps before making a contract</li> </ul>	●Compliant with the requirements of "Sustainable Development Best Practice Principles by TWSE/GTSM- listed Companies".

Item	Status			Variations (if any) with the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief explanation	
			<p>with suppliers. Poya International would review their background. Procurement division would visit suppliers' factory irregularly to understand the environment and the process of goods production, as well as overall corporate operations.</p> <ul style="list-style-type: none"> <li>● Poya International has uploaded regulations towards suppliers' sustainable development and the specific practices of supplier management to investor area on Poya's website and required suppliers to sign sustainability agreements (The content covers labor, health, environmental safety, ethics and fairness) and comply with food safety and other related regulations. If there is any violation, Poya International will remove the concerned product from shelves, and the supplier shall bear the liability for related damages.</li> </ul>	
5. Does Poya International follow international recognized reporting criteria or guides when disclosing non-financial Sustainability report? Did it obtain assurance or verification statements from third-party certification bodies for previously disclosed reports?	✓		<ul style="list-style-type: none"> <li>● Poya International edits Sustainability report according to the core option of the Global Reporting Initiative (GRI) Guidelines and the industry standards (Consumer Products) of the Sustainability Accounting Standards Board (SASB).</li> <li>● Poya International's 2022 sustainability report is subject to limited assurance by PriceWaterhouse Coopers Taiwan. For detailed assurance reports, please refer to p.81-p.82 of Poya International's 2022 sustainability report.</li> </ul>	● Compliant with the requirements of "Sustainable Development Best Practice Principles by TWSE/GTSM- listed Companies".
6. If the Company has drawn up a code for Sustainable Development Best Practice Principle based on "Sustainable Development Best Practice Principles for TWSE-GTSM-listed Companies", please describe any differences between the said code and the Best Practice Principle:				



Item	Status			Variations (if any) with the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief explanation	
The Company has complied with requirements of “Sustainable Development Best Practice Principles by TWSE/GTSM- listed Companies” according to applicable rules and regulations.				
7. Other major information that helps to understand the operation of sustainable development: A. The Company has uploaded the Sustainability report on MOPS and official websites in Chinese and English to help to understand the Company’s operation of sustainable development. B. Total donation for the following activities is NT\$ 0.79 million. Poya contributes to Taiwan society by actively participating in social activities to enhance positive culture and values. The Sustainability report of 2023 is expected to be published before August 2024. The implementations in 2023: (1) Sponsored "Guard the Ocean, protect the Sea Turtles ", and donated to the National Penghu University of Science and Technology as the Ocean Guard Fund (2) Sponsored “Slow Pitch Softball Association”, and “Slow Pitch Softball Association ” to demonstrates our commitment to social care. C. Please refer to the following for details of the Company’s “Sustainable Development Best Practice Principles”				

Note: The 2023 figures for greenhouse gas emissions, water consumption, and total waste weight were calculated by the company and have not been verified externally. Please refer to the sustainability report which plan to be published in 2024 for figures after verification.

## **Sustainable Development Best Practice Principles**

### **Chapter 1 General Principles**

- Article 1 In order to fulfill the corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, the Company hereby jointly adopts the Principles to be followed by the Company according to “Sustainable Development Best Practice Principles for TWSE/GTSM-Listed Companies”
- Article 2 The Principle applies to both the entire operations of the Company and its business group. The Company shall actively fulfill the sustainable development in the course of their business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on sustainable development.
- Article 3 In fulfilling social responsibility initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance. In addition, the Company shall in accordance with the principle of materiality, conduct risk assessments on environmental, social and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy.
- Article 4 To implement sustainable development initiatives, the Company follows the principles below:
1. Exercise corporate governance.
  2. Foster a sustainable environment.
  3. Preserve public welfare.
  4. Enhance disclosure of sustainable development information.
- Article 5 The Company shall take into consideration the correlation between the development of domestic and international sustainable development principles and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for sustainable development programs, which shall be approved by the board of directors and then reported to the shareholders meeting. When a shareholder proposes a motion involving sustainable development, the company's board of directors is advised to review and consider including it in the shareholders meeting agenda.

### **Chapter 2 Exercising Corporate Governance**

- Article 6 The Company shall follow the “Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies” and the “Code of Ethical Conduct for TWSE/GTSM Listed Companies” to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.
- Article 7 The directors of the Company shall exercise the due care of good administrators to urge the Company to perform its sustainable development initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its sustainable development policies. The board of directors of the Company shall exercise its sustainable development by including the following matters:

1. Identifying the company's sustainable development mission or vision, and declaring its sustainable development policy, systems or relevant management guidelines;
2. Making sustainable development the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for sustainable development initiatives;
3. Enhancing the timeliness and accuracy of the disclosure of sustainable development information.

The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of the Company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear.

Article 8 The Company shall, on a regular basis, organize education and training on the implementation of sustainable development initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.

Article 9 For the purpose of managing sustainable development initiatives, the Company shall establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the sustainable development policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.

Article 10 The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important sustainable development issues which they are concerned about.

### **Chapter 3 Fostering a Sustainable Environment**

Article 11 The Company shall follow the relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.

Article 12 The Company shall endeavor to utilize energy resources more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.

Article 13 The Company shall establish proper environment management systems based on the characteristics of their industries. Such systems shall include the following tasks:

1. Collecting sufficient and up-to-date information to evaluate the impact of the Company's business operations on the natural environment.
2. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis.
3. Adopting enforcement measures such as concrete plans or action plans, and examining the results of their operation on a regular basis.

Article 14 The Company shall assign General Administrative Division as dedicated unit for environmental management, in charge of drafting, promoting, and maintaining relevant environment management systems and concrete action plans, and shall hold environment education courses for their managerial officers and other employees on a periodic basis.

Article 15 The Company shall take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from their business operations:

1. Reduce resource and energy consumption of the products and services.
2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.

3. Improve recyclability and reusability of raw materials or products.
4. Maximize the sustainability of renewable resources.
5. Enhance the durability of products.
6. Improve efficiency of products and services

Article 16 To improve water use efficiency, the Company shall properly and sustainably use water resources and establish relevant management measures. The Company shall construct and improve environmental protection treatment facilities to avoid polluting water, air and land, and use their best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.

Article 17 The Company shall adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:

1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.
2. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam.
3. Other indirect emissions: emissions from company activities that are not indirect emissions from energy sources, but from emission sources owned or controlled by other companies.

The Company shall compile statistics on greenhouse gas emissions, volume of water consumption and total weight of waste and to establish policies for energy conservation, carbon and greenhouse gas reduction, reduction of water consumption or management of other wastes. The companies' carbon reduction strategies should include obtaining carbon credits and be promoted accordingly to minimize the impact of their business operations on climate change.

#### **Chapter 4 Preserving Public Welfare**

Article 18 The Company shall comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination. The Company, to fulfill its responsibility to protect human rights, shall adopt relevant management policies and processes.

The Company shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that their human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.

The Company shall provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. The Company shall respond to any employee's grievance in an appropriate manner.

Article 19 The Company shall provide information for their employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the Company have business operations.

Article 20 The Company shall provide safe and healthful work environments for their employees, including necessary health and first-aid facilities and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents. The Company shall organize training on safety and health for the employees on a regular basis.

- Article 21 The Company shall create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.
- Article 22 The Company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the Company's operations, management and decisions. The Company shall respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among employers, employees and employee representatives. The Company shall, by reasonable means, inform employees of operation changes that might have material impacts.
- Article 23 The Company shall take responsibility for their products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the Company shall ensure the transparency and safety of their products and services. They further shall establish and disclose policies on consumer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights, interests, health, or safety of consumers.
- Article 24 The Company shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries. The Company shall follow relevant laws, regulations and international guidelines in regard to customer health and safety and customer privacy involved in, and marketing and labeling of, their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.
- Article 25 The Company shall evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society. The Company shall provide a clear and effective procedure for accepting consumers' complaints to fairly and timely handle consumers' complaints, shall comply with laws and regulations related to the Personal Information Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by consumers.
- Article 26 The Company shall assess the impact their procurement has on society as well as the environment of the community that they are procuring from, and shall cooperate with their suppliers to jointly implement the corporate social responsibility initiative. The Company is advised to establish supplier management policies and request suppliers to comply with rules governing issues such as environmental protection, occupational safety and health or labor rights. Prior to engaging in commercial dealings, the Company is advised to assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy. When the Company enter into a contract with any of their major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.
- Article 27 The Company shall evaluate the impact of their business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance. The Company shall, through commercial activities, non-cash property endowments, volunteering service or other charitable professional services, participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.

## **Chapter 5 Enhancing Disclosure of Sustainable Development Information**

- Article 28 The Company shall disclose information according to relevant laws, regulations and the "Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies" and shall fully disclose relevant and reliable information relating to their sustainable development initiatives to improve information transparency.

Relevant information relating to sustainable development which the Company shall disclose includes:

1. The policy, systems or relevant management guidelines, and concrete promotion plans for sustainable development initiatives, as resolved by the Board of Directors.
2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
3. Goals and measures for realizing the sustainable development initiatives established by the Company, and performance in implementation.
4. Major stakeholders and their concerns.
5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.
6. Other information relating to sustainable development initiatives.

Article 29 The Company shall adopt internationally widely recognized standards or guidelines when producing Sustainability report, to disclose the status of their implementation of the sustainable development policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:

1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing sustainable development initiatives.
2. Major stakeholders and their concerns.
3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development.
4. Future improvements and goals.

#### **Chapter 6 Supplementary Provisions**

Article 30 The Company shall at all times monitor the development of domestic and foreign sustainable development standards and the change of business environment so as to examine and improve their established sustainable development framework and to obtain better results from the implementation of the sustainable development policy.

Article 31 The principle and any amendments to it shall enter into force after it has been adopted by the Board of Directors, and submitted to a Shareholders' Meeting.

Article 32 The Principle was enacted on October 27, 2014. The 1th amendment was made on February 24, 2015, the 2nd amendment was made on October 26, 2020, and the 3rd amendment was made on February 21, 2022.

### Implementation of Poya International's Risk Management

Topic	Risk Type	Implementation of Risk Management	Responsible Units	2022 Implementation of Risk Management
Economy	strategy & operational risk	Each division formulates operational and risk assessment plans, tracks operational performance in monthly strategy meetings, and makes adjustment in a timely manner to meet operational objectives in accordance with changes in market competition and consumer trends.	Business Planning Division Marketing Planing Division	1. Monthly cross-departmental strategy meetings are held regularly to discuss future strategy planning, set specific targets according to strategy goals, and review monthly whether the strategy direction needs to be adjusted.
Economy	financial risk	The Finance and Accounting Division establishes strategies, procedures and indicators in accordance with laws and regulations and market changes, and regularly analyzes the status of risk changes and takes appropriate countermeasures to reduce the overall potential risks of the Company.	Finance and Accounting Division Audit Office	1. In terms of financing transactions with financial institutions, we make an effort to reduce the markup rate of interest rate, and continue to repay a portion of our bank loans each year by our internal cash to reduce the balance of our loans and reduce interest expenses. 2. Conduct effective financial planning and fund allocation at regular weekly financial meetings. 3. The revision of the "Financing Cycle Operation Audit" was approved by the Board of Directors in 2023.
Economy	market risk	Based on their functions, each business unit evaluates and analyzes important policies, laws and regulations, and technology changes, and takes appropriate measures accordingly to reduce potential business risks.	Board of Directors Office of General Manager	1. In 2023, the Board of Directors held 13 meetings to discuss decision making, budgeting, business performance, etc., and to formulate/revise the relevant regulations in accordance with the laws and regulations and to meet the management needs. 2. The budget for the fiscal year 2024 was approved during the 8th meeting of the 9 <sup>th</sup> term of Board of Directors.
Social	information security risks	The Information Technology Division establishes information security and crisis management procedures and information security management measures in accordance with changes in laws, policies and technology to reduce the impact of information system crashes, data corruption or intrusion on the company's operations. We also regularly analyze and evaluate risk changes and take appropriate countermeasures to reduce potential risks.	Information Technology Division	1. In 2023, Poya established an Information Security Department to enhance the company's information security management. This initiative involved implementing information security policies, intensifying cybersecurity training and awareness campaigns, and fostering a culture of information security among employees. Throughout the year, a total of 7 awareness campaigns were conducted to promote these efforts. 2. The system is set up with firewall and anti-virus software security measures, and the Information Technology Division regularly checks and tests the system to build a complete anti-virus mechanism. 3. In 2023, the Board of Directors approved the revision of the "Information Security Policy" and the "Risk Management Policy". 4. In 2024, the Board of Directors approved the revision of the "Personal Data File Security Maintenance Plan".

Social	disaster risk	The HR Division establishes procedures and indicators in accordance with the law, including contingency management methods and education training systems to reduce the impact of natural disasters on operations.	HR Division	Carry out various trainings in accordance with Poya International's annual education and training plan, strengthen the resilience of each unit, and minimize the impact of natural disasters on operations.
Environment	climate risks	Each division assesses climate change risk according to their functions and propose measures to address them. Climate risk items include transitional risk of related regulations, and physical risk such as increased extreme weather.	Each division	<ol style="list-style-type: none"> <li>1. Poya International disclosed carbon emissions each year, comparing with the same period last year, and review the water and electricity consumption of our stores for any abnormalities and report to the risk management team to establish specific targets and practices for environmental protection and energy conservation, and to implement proper environmental management.</li> <li>2. In response to extreme weather conditions that may cause power outages or flooding and increase the cost of equipment repair or business interruption, the Company has set up an emergency response team to prepare backup plans and equipment procurement plans in advance to ensure that contingency measures can be activated immediately in the event of a disaster.</li> <li>3. The Greenhouse Gas Inventory Team is diligently managing according to the planned schedule on a quarterly basis, demonstrating a strong commitment to greenhouse gas inventory. This effort aims to establish consensus within the company and underscore its determination towards environmental responsibility..</li> </ol>
Corporate Governance	other Risks	Ensuring shareholder rights and implementing relevant regulations.	Board of Directors	<ol style="list-style-type: none"> <li>1. In 2023, the Board of Directors approved the addition of "Financial Transactions Regulations among Related Parties."</li> </ol>



E. Ethical corporate management at Poya international and related implementation: The Implementation of ethical corporate management and the variation (if any) with the Ethic Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and reasons for such discrepancies:

Item evaluated	Status			Variations (if any) with the Ethical Corporate Management Best Practice Principles and Policies for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
1. Policy of ethical corporate management and action plan in place (A) Does Poya International have ethical operation policies established by the Board, and do Poya International's Articles of Incorporation and external documents explicitly expressing its ethical policies and methods and are the Board and management dedicated to the active implementation of these commitments?	✓		● Poya International has enacted Ethical Corporate Management Best Practice Principles, Code of Ethical Conduct, and Procedures for Ethical Management and Guidelines for Conduct, passed by the Board of Directors. The Board of Directors also clearly express policies and procedures of ethical management, together with top manager in a commitment to the execution.	● Compliant with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM- listed companies.
(B) Did Poya International establish an evaluation system to evaluate risks of unethical behavior and regularly analyze and evaluate operations that have higher risk of unethical behavior and did the Company implement preventative measures for each Item under Clause 2, Article 7 of the Ethical Corporate Management Best Practice Principles for Listed Companies?	✓		● Poya International enacts Procedure for Ethical Management and Guidelines for Conduct according to Ethical Corporate Management Best Practice Principles. Among them, it is clearly stated that unethical behaviors of accepting/taking bribes, fraud, and insider trading are prohibited. Disciplines and appeal system are also clearly stated and executed in internal personnel regulations.	● Compliant with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM- listed companies.

Item evaluated	Status			Variations (if any) with the Ethical Corporate Management Best Practice Principles and Policies for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
(C) Do Poya International's unethical conduct prevention programs clearly specify relevant procedures, conduct guidelines, as well as a discipline and appeals system for rule violations, and are they regularly reviewed and amended?	✓		<ul style="list-style-type: none"> <li>● Poya International formulates procedures, guidelines for conduct, disciplines and appeal system in "Appeal and Reporting System for Procedure of Ethical Management and Guidelines of Conduct" and "Treatment for Reported Illegal and Unethical Cases"</li> <li>● Poya International appoints Finance and Accounting Division as dedicated unit, in charge of the execution of prevention measures against unethical behaviors with regular reports submitted to the Board of Directors.</li> </ul>	● Compliant with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM- listed companies.
2. Realization of ethical corporate management (A) Does Poya International evaluate the ethical records of the businesses with which it has dealings and include clear ethical corporate behavior provisions in contracts with such counterparties?	✓		<ul style="list-style-type: none"> <li>● Poya International has explicitly stated in all business agreements the relative rules and regulations of ethical corporate management which emphasizes on the prohibition of giving or taking bribes.</li> </ul>	● Compliant with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM- listed companies.
(B) Has Poya International established an organization under the direct jurisdiction of the Board of Directors that promotes ethical management principles and also reports to the Board regarding the implementation of these principles at least once a year	✓		<ul style="list-style-type: none"> <li>● Poya International has appointed Finance and Accounting Division as an exclusive dedicated unit, which shall assist BOD and management team to formulate ethical regulations for operation and supervise the execution to ensure the implementation.</li> </ul>	● Compliant with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM- listed

Item evaluated	Status			Variations (if any) with the Ethical Corporate Management Best Practice Principles and Policies for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
			<ul style="list-style-type: none"> <li>● Poya International shall report the ethical operational status to Board of Directors in compliance with the “Procedures for Ethical Management and Guidelines for Conduct”. The latest date to report related matters to Board of Directors was December 25, 2023. There was no violation in 2023.</li> </ul>	companies.
(C) Has Poya International formulated and implemented policies to prevent conflicts of interest, and provide appropriate channels for reporting and receiving complaints, and executes thoroughly?	✓		<ul style="list-style-type: none"> <li>● Poya International has stipulated the rules and regulations in its Procedures for Ethical Management and Guidelines for Conduct that directors, managers and other interested parties present or non-voting attendees of the board of directors who have an interest in the resolutions listed in the board of directors, themselves or the legal person they represent, shall explain the important content of their interest at the current board of directors. If there is a risk of harming the interests of the company, such director, manager or stakeholder shall not participate in the discussion and voting, and shall withdraw from the discussion and voting. Nor shall director, manager or stakeholder exercise voting rights as proxy on behalf of another director.</li> </ul>	<ul style="list-style-type: none"> <li>● Compliant with the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM- listed companies.</li> </ul>

Item evaluated	Status			Variations (if any) with the Ethical Corporate Management Best Practice Principles and Policies for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
(D) Has Poya International implemented effective accounting and internal control systems and has the audit division established relevant audit plans based on the results of the unethical risk evaluations and did the audit division ensure that the plans are being complied with or has Poya International had independent accountants periodically review them?	✓		● The company has established an effective accounting system and internal control system. Internal auditors make the audit plan based on risk ranking and execute, also report to Board of Directors. There is no violation of ethical corporate management.	● Compliant with the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM- listed companies.
(E) Does Poya International periodically hold internal and external ethical corporate behavior training?	✓		● Poya International holds a monthly meeting for making announcements of the relative policies to all the employees (including the relative rules and regulations of “Procedures for Ethical Management and Guidelines for Conduct”), and new employees are required to abide by the Company's Ethical Management Policy in terms of employment conditions, and sign a statement of integrity (The content includes a commitment to integrity). The signing rate of new employees is 91% in 2023).	● Compliant with the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM- listed companies.
3. Operation of the Company’s Violation Reporting System (A) Has Poya International established a concrete violation reporting and rewards system, set up convenient reporting channels, and appointed suitable personnel to handle these cases?	✓		● Poya International has enacted “the Reporting and Mechanism of Procedures for Ethical Management and Guidelines for Conduct” and “Reporting Regulations of Irregular, Immoral and Dishonest Conduct.” Reporters can report to the following units:	● Compliant with the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM- listed

Item evaluated	Status			Variations (if any) with the Ethical Corporate Management Best Practice Principles and Policies for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
			<p>(1) Spokesman, acting spokesman: Accept reports from outsiders such as shareholders and investors.</p> <p>(2) Management team, manager of Finance and Accounting Division and Audit committee: Accepting the reports from directors, managers, employees and suppliers.</p> <p>The accepting units shall report to General Manager, and General Manager would appoint the dedicated unit to manage related investigation.</p>	companies.
(B) Has Poya International established an investigation SOP for violation reporting, follow up measures, and relevant mechanisms to ensure confidentiality?	✓		<p>● Poya International has formulated the handling procedures in the “Complaint and Reporting System of Ethical Corporate Management Best Practice Principles” and “Reporting Regulations of Irregular, Immoral and Dishonest Conduct”. The coherent departments will conduct evidence collection and in-depth investigation after receiving the report, and handle the reported case in a confidential manner.</p>	● Compliant with the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM- listed companies.
(C) Does Poya International have any measures in place to protect individuals from possible mistreatment arising from reporting violations?	✓		<p>● Poya International allows anonymous report on the unethical practices of others in its Rules of Personnel Management to protect the reporter and stipulates relative regulations in Codes of Ethical Conduct.</p>	● Compliant with the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM- listed

Item evaluated	Status			Variations (if any) with the Ethical Corporate Management Best Practice Principles and Policies for TWSE/GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
				companies.
<p>4. Strengthen information disclosure</p> <p>(A) Does Poya International disclose the content of its Best Practice Principles and its effectiveness on their website and the TWSE market observation post system?</p>	✓		<p>● The company's official website in both Chinese and English has a corporate governance section to disclose the relative information of ethical corporate management. Poya international also uploads the Principles on the MOPS.</p>	<p>● Compliant with the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM- listed companies.</p>
<p>5. If the Company has established a code of ethical corporate management based on the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please discuss the specifics of the code and implementation below: Poya International has been handled in accordance with relevant regulations.</p>				
<p>6. Other information that will assist in the understanding of Company ethical corporate management practices: (such as reviewing and revision of the Company’s existing Ethical Corporate Management Best Practice Principles)</p> <p>(A) In order to implement the ethical behavior and integrity management to ensure sustainable development, Poya International encourages to report any illegal and violation of the Codes of Ethical Conduct and Ethical Corporate Management Best Practice Principles. So we have formulated “Reporting Regulations of Irregular, Immoral and Dishonest Conduct” passed by the Board of Directors on July 25 2016.</p> <p>(B) In order to establish a good corporate governance and risk control mechanism, Poya International has amended parts of the article of its Ethical Corporate Management Best Practice Principles passed by BOD on March 23rd, 2020 and uploaded it to Chinese/English official websites and the MOPS for better understanding of the operation of ethical corporate management.</p> <p>(C) Regarding the Company’s Ethical Corporate Management Best Practice Principles and Codes of Ethical Conduct, please see below.</p>				

### **Ethical Corporate Management Best Practice Principles**

- Article 1      In order to foster a corporate culture of ethical management and sound development, and offer a reference framework for establishing good commercial practices, the Company hereby enacts these Principles according to “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies.”
- These Principles are applicable to its business groups and organizations of such the Company, which comprise its subsidiaries, any foundation to which the Company's direct or indirect contribution of funds exceeds 50 percent of the total funds received, and other institutions or juridical persons which are substantially controlled by such Company ("business group").
- Article 2      When engaging in commercial activities, directors, managers, employees, and mandatories of the Company or persons having substantial control over the Company ("substantial controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty ("unethical conduct") for purposes of acquiring or maintaining benefits.
- Parties referred to in the preceding paragraph include civil servants, political candidates, political parties or members of political parties, state-run or private-owned businesses or institutions, and their directors, supervisors, managers, employees or substantial controllers or other stakeholders.
- Article 3      "Benefits" in these Principles means any valuable things, including money, endowments, commissions, positions, services, preferential treatment or rebates of any type or in any name. Benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded.
- Article 4      The Company shall comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Statute, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/GTSM listing rules, other laws or regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate management.
- Article 5      The Company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith and approval from the Board of Directors, and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.
- Article 6      In order to implement ethical management policy, the Company shall enact “Procedures for Ethical Management and Guidelines for Conduct” and shall clearly and thoroughly prescribe the specific ethical management practices and the programs to forestall unethical conduct ("prevention programs").
- The enactment of “Procedures for Ethical Management and Guidelines for Conduct” in the preceding paragraph shall comply with relevant laws and regulations of the territory where the Company and their business group are operating.

- Article 7      The Company shall establish a risk assessment mechanism against unethical conduct, analyze and assess business activities on a regular basis within their business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly and review their adequacy and effectiveness on a regular basis.
- It is advisable for the Company to refer to prevailing domestic and foreign standards or guidelines in establishing the prevention programs, which shall at least include preventive measures against the following:
- ◆ Offering and acceptance of bribes.
  - ◆ Illegal political donations.
  - ◆ Improper charitable donations or sponsorship.
  - ◆ Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.
  - ◆ Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights.
  - ◆ Engaging in unfair competitive practices.
  - ◆ Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.
- Article 8      The Company shall request their directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.
- The Company shall clearly specify in their rules and external documents and on website the ethical corporate management policies with the board of directors and senior management implementing the commitment of such policies, carrying out the policies in internal management and also commercial activities.
- The Company shall compile documented information on the ethical management policy, statement, commitment and implementation mentioned in the first and second paragraphs and retain said information properly.
- Article 9      The Company shall engage in commercial activities in a fair and transparent manner based on the principle of ethical management. Prior to any commercial transactions, the Company shall take into consideration the legality of its agents, suppliers, clients, or other trading counterparties and whether any of them are involved in unethical conduct, and shall avoid any dealings with persons so involved.
- When entering into contracts with its agents, suppliers, clients, or other trading counterparties, the Company shall include in such contracts terms requiring compliance with ethical corporate management policy and that in the event the trading counterparties are involved in unethical conduct, the Company may at any time terminate or rescind the contracts.



- Article 10 When conducting business, the Company and its directors, managers, employees, mandatories, and substantial controllers, may not directly or indirectly offer, promise to offer, request, or accept any improper benefits in whatever form to or from clients, agents, contractors, suppliers, public servants, or other stakeholders.
- Article 11 When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company and its directors, managers, employees, mandatories, and substantial controllers, shall comply with the Political Donations Act and its own relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages.
- Article 12 When making or offering donations and sponsorship, the Company and its directors, managers, employees, mandatories, and substantial controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.
- Article 13 The Company and its directors, managers, employees, mandatories, and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.
- Article 14 The Company and its directors, managers, employees, mandatories, and substantial controllers shall observe applicable laws and regulations, the Company's internal operational procedures, and contractual provisions concerning intellectual property, and may not use, disclose, dispose, or damage intellectual property or otherwise infringe intellectual property rights without the prior consent of the intellectual property rights holder.
- Article 15 The Company shall engage in business activities in accordance with applicable competition laws and regulations, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.
- Article 16 In the course of research and development, procurement, manufacture, provision, or sale of products and services, the Company and its directors, managers, employees, mandatories, and substantial controllers shall observe applicable laws and regulations and international standards to ensure the transparency of information about, and safety of, their products and services. They shall also adopt and publish a policy on the protection of the rights and interests of consumers or other stakeholders, and carry out the policy in their operations, with a view to preventing their products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Where there are sufficient facts to determine that the Company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the Company shall, in principle, recall those products or suspend the services immediately.
- Article 17 The directors, managers, employees, mandatories, and substantial controllers of the Company shall exercise the due care of good administrators to urge the Company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.

To achieve sound ethical corporate management, the Company assigns Finance and Accounting Division for establishing and Audit Division for supervising the implementation of the ethical corporate management policies and prevention programs. The Audit Division shall report to the Board of Directors on a regular basis (at least once a year).

Article 18 The Company and its directors, managers, employees, mandatories, and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.

Article 19 When a proposal at a given Board of Directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, managers, and other stakeholders attending or present at board meetings of the Company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the Company, the concerned person may not participate in discussion of or voting on the proposal, and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings.

The Company's directors, supervisors, managers, employees, mandatories, and substantial controllers shall not take advantage of their positions or influence in the Company to obtain improper benefits for themselves, their spouses, parents, children or any other person.

Article 20 The Company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results.

The internal audit unit of the Company shall, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans including auditees, audit scope, audit items, audit frequency, etc., and examine accordingly the compliance with the prevention programs. The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.

The results of examination in the preceding paragraph shall be reported to senior management and the ethical management dedicated unit and put down in writing in the form of an audit report to be submitted to the Board of Directors.

Article 21 The Company shall establish operational procedures and guidelines in accordance with Article 6 hereof. The procedures and guidelines should at least contain the following matters:

- ◆ Standards for determining whether improper benefits have been offered or accepted.
- ◆ Procedures for offering legitimate political donations.
- ◆ Procedures and the standard rates for offering charitable donations or sponsorship.
- ◆ Rules for avoiding work-related conflicts of interests and how they should be reported and handled.
- ◆ Rules for keeping confidential trade secrets and sensitive business information obtained in the ordinary course of business.
- ◆ Regulations and procedures for dealing with suppliers, clients and business transaction counterparties suspected of unethical conduct.

- ◆ Handling procedures for violations of these Principles.
- ◆ Disciplinary measures on offenders.

Article 22      The chairperson, general manager, or senior management of the Company shall communicate the importance of corporate ethics to its directors, employees, and mandatories on a regular basis.

The Company shall periodically organize training and awareness programs for directors, managers, employees, mandatories, and substantial controllers, so they understand the Company's resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.

Article 23      The Company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:

- ◆ An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow internal and external personnel of the company to submit reports.
- ◆ Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior management shall be reported to the independent directors or supervisors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.
- ◆ Follow-up measures to be adopted depending on the severity of the circumstances after investigations of cases reported are completed. Where necessary, a case shall be reported to the competent authority or referred to the judicial authority.
- ◆ Documentation of case acceptance, investigation processes, investigation results, and relevant documents.
- ◆ Confidentiality of the identity of whistle-blowers and the content of reported cases, and an undertaking regarding anonymous reporting.
- ◆ Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.
- ◆ Whistle-blowing incentive measures.

When material misconduct or likelihood of material impairment to the Company comes to their awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors in written form.

Article 24      If any person of the Company violates the ethical corporate management rules, the Company shall give punishments according to relative rules and regulation based on its violation and shall immediately disclose on the Company's internal website the title and name of the violator, the date and details of the violation, and the actions taken in response.

Article 25      The Company shall collect quantitative data about the promotion of ethical management and continuously analyze and assess the effectiveness of the promotion of ethical management policy. They shall also disclose the measures taken for implementing ethical corporate management,

the status of implementation, the foregoing quantitative data, and the effectiveness of promotion on their Company websites, annual reports, and prospectuses, and shall disclose their ethical corporate management best practice principles on the Market Observation Post System.

Article 26      The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage their directors, managers, and employees to make suggestions, based on which the adopted ethical corporate management policies and measures taken will be reviewed and improved with a view to achieving better implementation of ethical management.

Article 27      These Principles shall be implemented after it has been reviewed by the Audit committee and adopted by the board of directors, and submitted to a shareholders' meeting. The same procedure shall be followed when the principles have been amended.

When the Company submits its ethical corporate management best practice principles to the Board of Directors for discussion pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each independent director's opinions. Any objections or reservations of any independent director shall be recorded in the minutes of the Board of Directors meeting. An independent director that cannot attend the board meeting in person to express objections or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the Board of Directors meeting.

Article 28      This Principle was enacted on October 27, 2014. The first amendment was made on February 24, 2015; the second amendment was made on July 25, 2016; the third amendment was made on March 23, 2020.

## **Codes of Ethical Conduct**

### **Article 1 Purpose of and Basis for Adoption**

For the purpose of encouraging the directors and the managerial officers of the Company to act in line with ethical standards, and helping interested parties better understand the ethical standards of the Companies, the Company shall enact a code of ethical conduct with reference to “Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies”, and shall abide by such a code of ethical conduct.

### **Article 2 Objects of Application**

The Code is applicable to the directors and the managerial officers of the Company, including general managers and their equivalents, assistant general managers and their equivalents, deputy assistant general managers and their equivalents, chief financial and chief accounting officers, and others authorized to manage affairs and sign documents on behalf of a company.

### **Article 3 Content of the Code**

#### **1. Prevention of Conflicts of Interest**

The directors or managerial officers of the Company shall perform their duties in an objective and efficient manner, and shall avoid any improper benefit obtained by taking advantage of their position in the Company either for themselves or for their spouse, parents, children, or relatives within the second degree of kinship. The directors and managerial officers of the Company shall voluntarily explain whether there is any potential conflict between them and the Company when the Company makes loans of funds or provisions of guarantees, major asset transactions or the purchases (or sale) of goods involving the affiliated enterprise at which a director or managerial officer mentioned above work.

#### **2. Minimizing Incentives to Pursue Personal Gain**

The Company shall prevent its directors or managerial officers from engaging in any of the following activities:

- (1) Seeking an opportunity to pursue personal gain by using Company’s property or information, or taking advantage of their positions.
- (2) Obtaining personal gain by using Company’s property or information, or taking advantage of their positions.
- (3) Competing with the Company.

When the Company has an opportunity for profits, it is the responsibility of the directors, and managerial officers to maximize the reasonable and proper benefits that can be obtained by the Company.

#### **3. Confidentiality**

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

4. Fair Trades

The directors and managerial officers of the Company shall fairly treat all suppliers and customers, competitors, and employees of the Company, and may not obtain improper benefits obtained through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

5. Safeguarding and Proper Use of Company Assets

All directors and managerial officers have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the company's profitability.

6. Legal Compliance

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

7. Encouraging Reporting on Any Illegal or Unethical Activity

The Company shall raise awareness of ethics internally and encourage employees to report to the Board of Directors, a managerial officer, the chief internal auditor, or other appropriate individuals upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. The Company shall manage the case confidentially and let the employees aware that the Company will use its best efforts to ensure the safety of informants.

8. Disciplinary Measures

When a director, or managerial officer of the Company violates the code of ethical conduct, the Company shall, after investigation, handle the matter in accordance with related regulations and shall without delay disclose on the Market Observation Post System (MOPS) the name and title of the violator, the date of the violation, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken.

The directors or managers who are punished for violating the provisions of this Code may file a complaint in accordance with relevant regulations if they do not accept the punishment.

Article 4 Procedures for exemption

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

Article 5 Method of disclosure

The code of ethical conduct and any amendments to it shall be disclosed on the Company's website, in the Company's annual reports and prospectuses, and on the MOPS.

- Article 6      Enforcement
- The code of ethical conduct and any amendments to it shall enter into force after it has been reviewed by the Audit Committee, adopted by the Board of Directors, and submitted to a Shareholders Meeting.
- Article 7      The code of ethical conduct was enacted on October 27, 2014. The first amendment was made on March 23, 2015.

## Implementation of Climate-Related Information

Item	Implementation status				
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	The Board of Directors serves as the highest supervisory authority for Poya's climate change governance, responsible for approving risk management policies and frameworks and overseeing the effective operation of risk management mechanisms. The Risk and Security Management Committee functions as the executing authority for risk management. Chaired by the General Manager, the Risk and Security Management Committee comprises department heads as members. The committee convenes regular climate change meetings relevant to its own business operations annually, reporting risk and opportunity identification results to the Board to ensure the effective implementation of risk management strategies.				
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Poya references the Task Force on Climate-related Financial Disclosures (TCFD) proposed by the Financial Stability Board (FSB) of the United Nations. Poya incorporates the recommended disclosures and management framework into consideration, conducting an overall assessment of the impact of climate change issues on the company. Subsequently, we formulate management strategies for the short, medium, and long term.				
	<b>Short, Medium, and Long-Term Climate-Related Risks</b>				
	Timeline	Risks	Potential Impact	Financial Impact	Management Strategies
	Short term	Typhoons and catastrophic rainfall	Global warming indirectly leading to climate abnormalities	1. Increased maintenance costs due to equipment damage. 2. Decreased customer traffic and transportation difficulties leading to shortages.	1. Implement disaster insurance policies to mitigate the impact of damage from disasters. 2. Establish emergency response teams to develop contingency plans and equipment procurement strategies.
	Medium term	Rising average temperatures	1. Increased energy consumption. 2. Disappearance of seasonal changes.	1. Increased operating costs. 2. Changes in product assortment.	1. Introducing new variable frequency air conditioners and central air conditioning controllers. 2. Introducing LED energy-saving lamps and energy-saving light bars to enhance brightness and reduce carbon emissions.
	Medium term	Regulatory Standards	Climate regulations becoming stricter	1. Fine for non-compliance. 2. Damage to reputation.	1. Conducting regular greenhouse gas inventories to effectively manage greenhouse gas emissions. 2. Formulating energy-saving and carbon reduction initiatives.
	Long term	Geopolitics	Climate change leading to supply-demand imbalances, evolving into political risks associated with resource competition	1. Political and economic turmoil affecting consumer behavior. 2. Shortages in the supply chain affecting revenue.	1. Accumulating brand image and fostering customer loyalty. 2. Establishing a regular customer system to bridge the gap with consumers. 3. Collaborating with suppliers to stay informed about market trends.
	<b>Short, Medium, and Long-term Climate-related Opportunities</b>				
	Timeline	Opportunities	Plan	Financial Impact	Management Strategies
	Short Term	Developing new products	Prioritize purchasing environmentally friendly products	1. Reduce packaging costs 2. Increase product sales by meeting consumer demand for	Collaborating with suppliers to develop environmentally friendly products, reducing packaging to lower carbon



				environmentally friendly products	emissions.
	Medium Term	Environmental protection and energy-saving equipment	Prioritize the introduction of energy-efficient equipment and consider energy efficiency when purchasing equipment.	1. Reduce energy cost expenses. 2. Qualify for government energy-saving subsidies.	1. Actively promote energy conservation and carbon reduction to reduce carbon emissions. 2. Coordinate with Taiwan Power Company's smart meters to enhance electricity management.
	Long Term	Environmental and thermal insulation building materials	Searching for alternative environmentally friendly building materials and using thermal insulation materials to reduce energy consumption	1. Reduce energy cost	1. Roof heat insulation paint/spray system/fill-in insulation material to achieve space cooling and reduce energy consumption. 2. Seek and use green building materials for construction and interior decoration.
<b>ITEM</b>	<b>Execution</b>				
3. Describe the financial impact of extreme weather events and transformative actions.	In the event of extreme weather conditions, there is a risk of temporary interruption of operations or a decrease in overall supply chain efficiency, leading to financial and operational losses for the company. Poya addresses this risk by enhancing energy efficiency, introducing environmentally friendly materials, and replacing equipment with low-pollution alternatives. These measures not only reduce operating costs but also enhance the company's reputation, resulting in increased overall revenue.				
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	Each department identifies and proposes response measures based on its functions and climate change-related risk factors. Climate risk factors include transitional risks related to regulations and physical risks such as increasing extreme weather events. Following the risk management process, the Risk and Information Security Management Team consolidates and identifies the results and develops management approaches. These are then incorporated into the annual company risk management assessment. The team regularly reports on risk control measures and management operations to the Audit Committee and the Board of Directors.				

5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	<p>The severity of physical risks associated with extreme weather events such as typhoons, floods, and heavy snowfall may increase, leading to a higher probability of events such as store flooding, equipment damage, power outages, and water supply disruptions, which can affect store operations. These events could also affect upstream logistics and downstream customer services, leading to impacts on distribution, customer convenience, and product availability.</p> <p>Assessment of the potential flood risks to all stores across Taiwan under different climate scenarios by the mid-century (2050) is conducted. Based on the National Disaster Center (NCDR) baseline flood risk levels, it is assumed that areas with relatively high risk levels, classified as level five, are the affected regions. Two scenarios are simulated to assess the impact on stores and revenue.</p> <table><tr><th>Scenario Assumptions</th><th>Scenario Explanation</th><th>Percentage of affected stores</th><th>Financial impact on revenue</th></tr><tr><td>Temperature rise below 2°C</td><td>Assuming that future temperature rise does not exceed 2°C, the climate environment would remain largely unchanged from the current conditions.</td><td>35%</td><td>0.16%</td></tr><tr><td>RCP 8.5</td><td>The risk of flooding in stores under the high warming trend without any reduction actions across the world</td><td>46%</td><td>0.22%</td></tr></table> <p>* The proportion of affected stores is based on the year 2023 as a reference and can be found in Poya's sustainability report.</p>			Scenario Assumptions	Scenario Explanation	Percentage of affected stores	Financial impact on revenue	Temperature rise below 2°C	Assuming that future temperature rise does not exceed 2°C, the climate environment would remain largely unchanged from the current conditions.	35%	0.16%	RCP 8.5	The risk of flooding in stores under the high warming trend without any reduction actions across the world	46%	0.22%
Scenario Assumptions	Scenario Explanation	Percentage of affected stores	Financial impact on revenue												
Temperature rise below 2°C	Assuming that future temperature rise does not exceed 2°C, the climate environment would remain largely unchanged from the current conditions.	35%	0.16%												
RCP 8.5	The risk of flooding in stores under the high warming trend without any reduction actions across the world	46%	0.22%												
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	<p>The company employs three major strategic plans to manage various physical and transitional risks: "Regulatory Compliance," "Energy Efficiency and Carbon Reduction," and "Greenhouse Gas Inventory."</p> <p>1. Regularly reviewing climate-related regulations to strictly comply with their requirements, serving as the foundation for transition plans.</p> <p>2. Promoting LED energy-saving lighting fixtures to all stores, testing the introduction of air conditioning controllers and linear lamps in stores, and phasing out fuel-consuming vehicles. In response to the government's promotion of renewable energy, Poya implemented solar energy projects at the Kaohsiung logistics center. Besides generating over 2.45 million kWh of electricity annually, it also helps reduce energy consumption through lowering the temperature in the logistics center.</p> <p>3. Gradually completing the greenhouse gas inventory and planning reduction policies.</p>														
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	<p>The company has not yet implemented an internal carbon pricing assessment tool.</p>														
Item	Execution														
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and	<table><tr><td>Greenhouse Gas Emission Scopes</td><td colspan="2">1. Direct emissions (Scope 1), sources: company vehicles (gasoline), generators (diesel), refrigeration equipment, and emission control devices. 2. Indirect emissions (Scope 2), sources: purchased electricity for own use</td></tr><tr><td>Scope of the inventory</td><td colspan="2">Headquarters in Taipei and Tainan, North Logistic, South Logistic, and a total of 411 (including relocations and closures) stores as of the end of 2023.</td></tr><tr><td rowspan="2">Goals and Achievement Status</td><td>Average per-store carbon emissions reduced by 3%.</td><td>Average per-store carbon emissions reduced by 11.6% in 2023.</td></tr><tr><td>Average per-store water consumption</td><td>Average per-store water consumption reduced by</td></tr></table>			Greenhouse Gas Emission Scopes	1. Direct emissions (Scope 1), sources: company vehicles (gasoline), generators (diesel), refrigeration equipment, and emission control devices. 2. Indirect emissions (Scope 2), sources: purchased electricity for own use		Scope of the inventory	Headquarters in Taipei and Tainan, North Logistic, South Logistic, and a total of 411 (including relocations and closures) stores as of the end of 2023.		Goals and Achievement Status	Average per-store carbon emissions reduced by 3%.	Average per-store carbon emissions reduced by 11.6% in 2023.	Average per-store water consumption	Average per-store water consumption reduced by	
Greenhouse Gas Emission Scopes	1. Direct emissions (Scope 1), sources: company vehicles (gasoline), generators (diesel), refrigeration equipment, and emission control devices. 2. Indirect emissions (Scope 2), sources: purchased electricity for own use														
Scope of the inventory	Headquarters in Taipei and Tainan, North Logistic, South Logistic, and a total of 411 (including relocations and closures) stores as of the end of 2023.														
Goals and Achievement Status	Average per-store carbon emissions reduced by 3%.	Average per-store carbon emissions reduced by 11.6% in 2023.													
	Average per-store water consumption	Average per-store water consumption reduced by													

quantity of carbon credits or RECs to be offset should be specified.		reduced by 5%	7.5% in 2023.
		In 2025, the carbon intensity decreased by 2% compared to the baseline year 2023.	The current year serves as the baseline year.
		In 2025, the water intensity decreased by 3% compared to the baseline year 2023.	The current year serves as the baseline year.
Note: For more details, please refer to Poya's 2023 Sustainability Report.			
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	As a company with a capital of less than 5 billion NT dollars, according to the regulations outlined in the Sustainability Development Roadmap for Listed Companies, Poya is required to conduct an inventory check of individual companies by 2026 and complete the verification by 2028.		

## 1-1 Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

### 1-1-1 Greenhouse Gas Inventory Information

Describe the emission volume (metric tons CO <sub>2</sub> e), intensity (metric tons CO <sub>2</sub> e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.				
Year	The number of stores covered	Total emissions volume (metric tons)	Per-store carbon emissions volume (metric tons)	intensity (metric tons CO <sub>2</sub> e/NT\$ million)
2022	353	47,228	134	2.42
2023	411	48,633	118	2.20

Note 1: Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam) and other indirect emissions (scope 3, i.e., emissions from company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).

Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.

Note 3: Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but at least the data calculated in terms of revenue (NT\$ 1 million) shall be disclosed.

### 1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.
The comprehensive assurance information will be disclosed in the sustainability report.

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report, it shall note that "Complete assurance information will be disclosed in the sustainability report." If the

Company does not prepare a sustainability report, it shall note that “Complete assurance information will be disclosed on the Market Observation Post System (MOPS),” and shall disclose the complete assurance information in the annual report of the following fiscal year.

Note 2: The assurance institutions shall meet the directions regarding assurance of sustainability reports prescribed by the TWSE and the TPEx.

Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website

## 1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.	<p>The baseline year and target: For Poya, 2023 serves as the baseline year, with a goal of reducing greenhouse gas emissions intensity by 2% in both Scope 1 and Scope 2 by 2025.</p> <p>Concrete strategies and actions: In response to the international net-zero emissions trend, the company has developed four main strategies and plans to review annually to gradually achieve the goal.</p> <ol style="list-style-type: none"> <li>1. Implementation of carbon reduction schemes: Continuously reduce carbon emissions in operational processes.</li> <li>2. Greenhouse gas inventory: Understand the amount of greenhouse gas emissions in operational processes.</li> <li>3. External verification: Verify the inventory data rigorously.</li> <li>4. Setting carbon reduction targets: Based on rigorous and scientific data, establish net-zero targets and continue to take practical carbon reduction actions.</li> </ol> <p>Poya aims to achieve our greenhouse gas reduction goals by continuously replacing energy-efficient lighting fixtures, air conditioning controllers, and other equipment. Additionally, Poya plans to introduce thermal insulation building materials in the future.</p>
--	---

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations.

Note 2: The base year shall be the fiscal year in which the greenhouse gas inventory is completed based on the consolidated financial reporting boundary. For example, under the order issued under Article 10, paragraph 2 of the Regulations, a company with capital of NT\$10 billion shall complete the inventory for its fiscal 2024 annual consolidated financial report in 2025, so the base year will be 2024. If a company has disclosed its inventory in its consolidated financial report in an earlier year, it may take the earlier fiscal year as its base year. Also, the data for the base year may be calculated based on a single fiscal year or the average of multiple fiscal years.

Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

- F. Mean of inquiry for corporate governance principles and related regulations: Please go to the investor area of the official website (<http://www.poya.com.tw>)
- G. Other major information that helps to understand the operation of corporate governance shall also be disclosed:
1. The investor area of the official website (<http://www.poya.com.tw>).
  2. MOPS: <http://mops.twse.com.tw/mops/web/index>  
The abbreviation is “Poya” and the Stock Code is “5904”.
- H. Status of internal control system implementation:
1. Declaration of internal control: please refer to page 213 internal control
  2. Certified Public Accountant Review Report which is issued by the certified public accountants based on the audit result of the internal control system: None.
- I. During the most recent year and as of the date of publication of the Annual Report, any disciplinary measures taken against the Company or its internal staff due to violations of legal requirements or taken by the Company against its own staff due to violations of the internal control system. The details of the disciplinary measures, major faults, and improvement measures should be note: None
- J. Major resolutions voted on at the Shareholders Meeting and the Board of Directors during the most recent year and as of the date of publication of the Annual Report:
1. Major resolutions of the Shareholders Meeting

Nature of meeting	Date of meeting	Resolutions	Implementation
Shareholders Meeting	2023.05.30	Business Report and Financial Statement of FY 2022	Resolution passed, and proceed as resolved.
		Proposal on distribution of 2022 profits	Resolution passed, the date of distribution was set up on July 15, 2023, and cash dividends of NT\$2,442,150,947 were distributed on August 25, 2023.
		Proposal for the new share issue through capitalization of earning and employee bonus	Resolution passed, the date of distribution was set up on July 15, 2023. Poya International proposed to issue 1,021,820 new shares through capitalization of earnings of NT\$ 10,218,200, and issue 289,103 new shares through capitalization of employee remunerations of NT\$ 164,500,000. The distribution was completed on August 25, 2023.

		<p>Proposal for the reelection of the company's directors (including independent directors).</p>	<p>The list of elected directors is as follows:</p> <ol style="list-style-type: none"> <li>1. Duo Chin Investment Co., Ltd., Representative: Chen Jian-Zao</li> <li>2. Poya Investment Co., Ltd., Representative: Chen Fan Mei-Jin</li> <li>3. Chen Zong-Cheng</li> <li>4. Chen Ming-Shian</li> </ol> <p>The list of elected independent directors is as follows:</p> <ol style="list-style-type: none"> <li>1. Liu Zhi-Hong</li> <li>2. Wu Lin-I</li> <li>3. Li Ming-Shian</li> <li>4. Wu Meng-Che</li> </ol> <p>The election results for the 9th Board of Directors (including independent directors) were announced on the Market Observation Post System (MOPS) after the shareholders' meeting and were registered by the Ministry of Economic Affairs on June 8, 2023.</p>
		<p>Proposal to lift the non-compete restrictions for newly appointed directors and their representatives.</p>	<p>Executed as resolved and disclosed on the MOPS.</p>

2. During the most recent year and as of the date of publication of the Annual Report, the Board of Directors held 16 sessions and the major resolutions are summarized as followed:

Nature of meeting	Date of meeting	Resolutions
Board Session	2023.01.16	<ol style="list-style-type: none"> <li>1. Approved the 2022 manager year-end bonus distribution proposal.</li> <li>2. Approved the 2022 chairman and vice-chairman year-end bonus distribution proposal.</li> <li>3. Approved the motion of setting up the POYA International Co., Ltd branch.</li> </ol>
Board Session	2023.02.20	<ol style="list-style-type: none"> <li>1. Approved the proposal of “Declaration of Internal Control in FY 2022”.</li> <li>2. Approved 2022 Business Report and Financial Statements.</li> <li>3. Approved the 2022 profits distribution proposal.</li> <li>4. Approved the proposal of assessment and appointment of independence and competency of certified public accountants</li> <li>5. Approved the Certified Public Accountant, its firm and its affiliated enterprises to provide non-assurance services to the company.</li> <li>6. Approved the 2022 employees and directors remunerations distribution proposal.</li> <li>7. Approved the proposal for the new share issue through capitalization of earning.</li> <li>8. Approved the proposal of re-election of the Company’s directors including independent directors.</li> <li>9. Approved the proposal to release the new Board of Directors and Representatives from the non-competition Restrictions.</li> <li>10. Approved the proposal of holding the “2022 Shareholders Meeting”.</li> <li>11. Approved the motion of setting up the POYA International Co., Ltd branch.</li> </ol>
Board Session	2023.03.20	<ol style="list-style-type: none"> <li>1. Approved setting up the Corporate Governance Executive.</li> <li>2. Approved the 2023 Managers Salary Adjustment proposal.</li> <li>3. Approved the list of nominated directors including independent directors candidates.</li> <li>4. Approved the motion of personnel changes of acting spokesman.</li> <li>5. Approved the motion of changing the address of Nangang High Speed Rail branch.</li> <li>6. Approved the motion of setting up the POYA International Co., Ltd branch.</li> </ol>
Board Session	2023.04.24	<ol style="list-style-type: none"> <li>1. Approved the Q1 2023 Financial Statements.</li> <li>2. Approved the motion of setting up the POYA International Co., Ltd branch.</li> </ol>
Board Session	2023.05.15	<ol style="list-style-type: none"> <li>1. Approved the motion of rescind the POYA International Co., Ltd Tainan Zhonghua West Second Branch.</li> <li>2. Approved the motion of setting up the POYA International Co., Ltd branch.</li> </ol>
Board	2023.05.30	<ol style="list-style-type: none"> <li>1. Approved the proposal for the election of the Chairman and Vice</li> </ol>

Nature of meeting	Date of meeting	Resolutions
Session		Chairman of the Company
Board Session	2023.06.19	<ol style="list-style-type: none"> <li>1. Approved the appointment of the 5<sup>th</sup> Term Remuneration Committee of the Company.</li> <li>2. Approved the appointment of the 4<sup>th</sup> Term Nomination Committee of the Company.</li> <li>3. Approved related matters of 2023 ex-rights.</li> <li>4. Approved the motion of financing from financial institutions due to operating demand and a healthy financial structure.</li> <li>5. Approved the motion of rescinding, canceling, and changing the name and address of POYA International Co., Ltd branch.</li> <li>6. Approved the motion of setting up the POYA International Co., Ltd branch.</li> </ol>
Board Session	2023.07.31	<ol style="list-style-type: none"> <li>1. Approved the Q2 2023 Financial Statements.</li> <li>2. Approved amendments to the certain provisions of “Internal Procedures for Handling Significant Information and Preventive Measures”, and renamed as the “Internal Procedures for Handling Significant Information”.</li> <li>3. Abrogation of " Workflow for Related Party Transactions ", and introduced " Regulations for Financial Transactions among Related Parties”.</li> <li>4. Approved amendments to the certain provisions of “Organizational Regulations for the Compensation Committee” and “Corporate Governance Best Practice Principles”.</li> <li>5. Approved the motion of drawing up matters of renewal of insurance for the Company’s directors and crucial employees’ liability insurance due on October 1st, 2023.</li> <li>6. Approved the motion of financing from financial institutions due to operating demand and a healthy financial structure.</li> <li>7. Approved the motion of rescind the POYA International Co., Ltd Taichung Sanmin Branch.</li> <li>8. Approved the motion of setting up the POYA International Co., Ltd branch.</li> </ol>
Board Session	2023.08.21	<ol style="list-style-type: none"> <li>1. Approved the proposal of “Individual Remunerations of Directors in FY2022”.</li> <li>2. Approved the proposal of “Remunerations of Managers in FY2022”.</li> <li>3. Approved the motion of rescinding and changing the name and address of POYA International Co., Ltd branch.</li> <li>4. Approved the motion of setting up the POYA International Co., Ltd branch.</li> </ol>
Board Session	2023.09.25	<ol style="list-style-type: none"> <li>1. Approved the motion of financing from financial institutions due to operating demand and a healthy financial structure.</li> <li>2. Approved the motion of changing the name of POYA International Co., Ltd branch.</li> </ol>



Nature of meeting	Date of meeting	Resolutions
		3. Approved the motion of setting up the POYA International Co., Ltd branch.
Board Session	2023.10.30	1. Approved the Q3 2023 Financial Statements. 2. Approved amendments to “Internal Audit System”. 3. Approved amendments to the certain provisions of “Operation Regulations for the System Development Department”, “Information Security Policy”, “Risk Management Policy”, and “Delegation of Authority and Proxy Agent Regulations”. 4. Approved to establish “Operational Procedures for the Preparation and Verification of the Sustainability Report” 5. Approved the motion of rescining POYA International Co., Ltd branch. 6. Approved the motion of changing the name of POYA International Co., Ltd branch. 7. Approved the motion of setting up the POYA International Co., Ltd branch.
Board Session	2023.11.27	1. Approved the motion of rescining POYA International Co., Ltd branch. 2. Approved the motion of changing the name of POYA International Co., Ltd branch. 3. Approved the motion of setting up the POYA International Co., Ltd branch.
Board Session	2023.12.25	1. Approved 2024 Audit Plan proposal. 2. Approved 2024 Operation Plans and Budget proposal 3. Approved the motion of rescining POYA International Co., Ltd branch. 4. Approved the motion of setting up the POYA International Co., Ltd branch. 5. Approved acquisition of rights to use assets.
Board Session	2024.01.29	1. Approved the 2023 Managers Annual Bonuses Distribution proposal. 2. Approved the 2023 Directors and Vice Directors Annual Bonuses Distribution proposal. 3. Approved the motion to qualify 2024 Convener and Members of various Committees of the Company 4. Approved the motion of rescining POYA International Co., Ltd branch. 5. Approved the motion of setting up the POYA International Co., Ltd branch.
Board Session	2024.02.26	1. Approved the proposal of “Declaration of Internal Control in FY 2023”. 2. Approved 2023 Business Report and Financial Statements. 3. Approved the 2023 profits distribution proposal. 4. Approved the motion to change the audit firm as part of internal organizational restructuring 5. Approved the proposal of assessment and appointment of independence and competency of certified public accountants. 6. Approved amendments to the certain provisions of “Rules of

Nature of meeting	Date of meeting	Resolutions
		<p>Shareholders' Meeting”.</p> <p>7. Approved revise to the company's “Personal Data File Security Maintenance Plan”</p> <p>8. Approved the 2023 employees and directors remunerations distribution proposal.</p> <p>9. Approved the proposal for the new share issue through capitalization of earning.</p> <p>10. Approved the proposal of holding the “2024 Shareholders Meeting”.</p> <p>11. Approved the motion of rescining POYA International Co., Ltd branch.</p> <p>12. Approved the motion of changing the name of POYA International Co., Ltd branch.</p>
Board Session	2024.03.25	<p>1. Approved the 2024 Chairman and Vice Chairman of the Board Salary Adjustment proposal.</p> <p>2. Approved the 2024 Managers Salary Adjustment proposal.</p> <p>3. Approved the motion of changing the name of POYA International Co., Ltd branch.</p> <p>4. Approved the motion of setting up the POYA International Co., Ltd branch.</p>

- K. Differing opinions in records or written statements from directors or supervisors regarding important resolutions made by the Board in the most recent year and through the publication of the Annual Report: None
- L. Summary of the resignations and dismissals of the Company’s personnel (including chairman, general manager, accounting manager, internal audit manager...etc.) during the last year and up to the time of printing: None

# V 、 Information on the Audit fees

Unit : NT\$ 1,000

Auditing firm	Auditor Names		Audit period	Audit fees	Non-Audit Related fees	Total	Remarks
PriceWaterhouse Coopers Taiwan	Lin Tzu-Yu	Lin Yung-Chih	2023.01.01-2023.12.31	2,830	642	3,472	Non-Audit Related fees include the related fees for ESG(NT\$270,000), the financial report, and printing of the report. Total amount is NT\$642,000.

- (1) If the payment of the non-audit related services rendered by the certified public accountants, the CPA firm or its affiliates accounts for more than 25% of the auditing fees, the amounts of the audit fees and non-audit related fees and the contents of the non-audit related services shall be disclosed.
- (2) If the auditing fees paid in the year of replacement of the CPA firm is lower than the audit fee in the year before the replacement, the amount of the audit fees before and after the replacement and the reasons shall be disclosed: None.
- (3) If the audit fees decrease by more than 10% with the comparison of the fees in the previous year, the decrease amount of the audit fees, the percentage and the reasons shall be disclosed: None.

VI · Changing of auditors- Should the Company change auditors over the past two years, the below information shall be disclosed:

Poya International changed the certified public accountants in compliance with internal rotation of PriceWaterhouse Coopers Taiwan in 2024.

(1) Former certified public accountants

Date of change	2024.02.26		
Reasons and explanation	In compliance with internal rotation of PriceWaterhouse Coopers Taiwan		
State whether the Appointment is Terminated or Rejected by the Consignor or CPAs	Client	CPA	The Company (Consigner)
	Situation	None	
	Appointment terminated automatically		
	Appointment rejected (discontinued)		
The Opinions other than Unmodified Opinion issued in last two years and the reasons for the said Opinions	None		
Any disagreements in opinion with the issuer	Yes		Accounting principle or practice
			Disclosure of financial report
			Auditing scope or procedures
			Others
	No	✓	
		Explanation	
Supplementary Disclosure (Disclosures Specified in Article 10.6.1.4~7 of the Standards)	None		

(2) Successor certified public accountants

Name of the accounting firm	PriceWaterhouse Coopers Taiwan
Name of the CPAs	Hsu Hui-yu, Lin Young-Zhi
Date of engagement	2024.02.26

Prior to the formal engagement, any inquiry or consultation on the accounting treatment or accounting principles for specific transactions, and the type of audit opinion that might be rendered on the financial report	None
Written opinions from the successor CPAs that are different from the former CPA's opinions	None

VII、If the Company's chairman, general manager, or managers responsible for financial and accounting affairs have held any position in the accounting firm or its affiliates during the past year, the name and title of the personnel and the period of such working relation existing should be disclosed: None.

VIII 、Net Change in shareholdings and in shares pledged by directors, supervisors, managers and the shareholders holding more than a 10% share in the Company during the most recent year and through the publication of the Annual Report

(1) Transfer of shares held by the directors, managers and the major shareholders

Title	Name	FY2023		The date in 2024 as this report was published	
		Net increase (decrease) in shares held	Net increase (decrease) in shares pledged	Net increase (decrease) in shares held	Net increase (decrease) in shares pledge
Chairman	Duo Chin Investment Co.,Ltd.	84,990	0	0	0
	Representative: Chen Jian-Zao	(9,792)	0	0	0
Vice Chairman	Poya Investment Co., Ltd.	83,332	0	0	0
	Representative: Chen Fan Mei-Jin	1,828	0	0	0
Director and General Manager	Chen Zong-Cheng	71,662	0	0	0
Director	Chen Ming-Shian	0	0	0	0
Independent Director	Li Ming-Xian	0	0	0	0
Independent Director	Wu Lin-I	0	0	0	0
Independent Director	Liu Zhi-Hong	0	0	0	0
Independent Director	Wu Meng-Che	0	0	0	0
Vice President, Finance and Accounting	Shen Hong-Yu	2,701	0	0	0
Vice President Business Planning	Lin Chun-Wen	614	0	0	0
Vice President Store Development	Ren Shi-Liang	2,653	0	0	0

Assistant Vice President, System Development Division	Wu Jui-Chin	1,471	0	0	0
Assistant Vice President, Supply Chain Management Division	Fan Ti-Wei	(2,000)	0	0	0
Assistant Vice President, Audit Office	Hsiao Li-Yuan	1,845	0	0	0
Assistant Vice President, Human Resource Management Division	Cheng Chih-Yuan	1,004	0	0	0
Assistant Vice President, Marketing planning Division	Lee Sheng-Yueh	1,082	0	(82)	0
Assistant Vice President, Product Procurement Division	Kuo,Hsu-Ling	1,000	0	0	0

Note 1: Independent Director Wu Meng-Che was appointed on May 30, 2024. Shen Hong-Yu, Vice President of Finance and Accounting Division, Lin Chun-Wen, Vice President of Business Planning Division, Ren Shi-Liang, Vice President of Store Development Division, Cheng Chih-Yuan, Assistant Vice President of Human Resource Management Division, Lee Sheng-Yueh, Assistant Vice President of Marketing planning Division, and Kuo,Hsu-Ling, Assistant Vice President of Product procurement Division were promoted on April 1, 2023.

(2) Information showing the counterparty of the share-transferring is the interested party: None.

(3) Information showing the counterparty of the share-in-pledge is the interested party: None.

IX、Information on spouse or other relatives within two degrees of consanguinity who are also among Poya International's top 10 largest shareholders.

Information on the relationship among the top 10 shareholders

March 30 2024

Name	Shares held Personally		Shares held by the spouse or minor children		Shares held by nominee agents		Names of Spouse or other relatives within two degrees of consanguinity who are also among Poya International's top 10 largest shareholders		Remarks
	Shares	Percentage	Shares	Percentage	Shares	Percentage	Name	Relationship	
Duo Chin Investment Co., Ltd. Representative: Chen Jian-Zao	8,584,074 11,014	8.29% 0.01%	184,664	0.18%	0	0%	Chen Fan Mei-Jin Chen Zong-Cheng Chen Lee-Lee Chen Rong-Rong	Spouse Son-in-law Father and daughter Father and daughter	
Poya Investment Co., Ltd. Representative: Chen Fan Mei-Jin	8,416,560 184,664	8.13% 0.18%	11,014	0.01%	0	0%	Chen Jian-Zao Chen Zong-Cheng Chen Lee-Lee Chen Rong-Rong	Spouse Son-in-law Mother and daughter Mother and daughter	
Chen Ching Investment Co., Ltd. Representative: Chen Jian-Zao	7,914,687 11,014	7.65% 0.01%	184,664	0.18%	0	0%	Chen Fan Mei-Jin Chen Zong-Cheng Chen Lee-Lee Chen Rong-Rong	Spouse Son-in-law Father and daughter Father and daughter	
Chen Zong-Cheng	6,464,680	6.25%	2,567,129	2.48%	0	0%	Chen Jian-Zao Chen Fan Mei-Jin Chen Lee-Lee Chen Rong-Rong	Father-in-law Mother-in-law Spouse In-laws	
Maersk Investment Co., Ltd. Representative: Chen Zong-Cheng	5,227,854 6,464,680	5.05% 6.25%	2,567,129	2.48%	0	0%	Chen Jian-Zao Chen Fan Mei-Jin Chen Lee-Lee Chen Rong-Rong	Father-in-law Mother-in-law Spouse In-laws	
Gao Heng Investment Co., Ltd. Representative: Chen Jian-Zao	3,127,603 11,014	3.02% 0.01%	184,664	0.18%	0	0%	Chen Fan Mei-Jin Chen Zong-Cheng Chen Lee-Lee Chen Rong-Rong	Spouse Son-in-law Father and daughter Father and daughter	
Chang Yi Investment Co., Ltd. Representative: Chen Lee-Lee	2,950,667 2,567,129	2.85% 2.48%	6,464,680	6.25%	0	0%	Chen Zong-Cheng Chen Jian-Zao Chen Fan Mei-Jin Chen Rong-Rong	Spouse Father and daughter Mother and daughter Sisters	
Chen Lee-Lee	2,567,129	2.48%	6,464,680	6.25%	0	0%	Chen Zong-Cheng Chen Jian-Zao Chen Fan Mei-Jin Chen Rong-Rong	Spouse Father and daughter Mother and daughter Sisters	
Capital Tip Customized Taiwan Select High Dividend ETF	2,246,000	2.17%	0	0%	0	0%			
Viking Investment Limited Company Representative: Chen Rong-Rong	2,233,529 764,352	2.16% 0.74%	0	0%	0	0%	Chen Jian-Zao Chen Fan Mei-Jin Chen Lee-Lee Chen Zong-Cheng	Father and daughter Mother and daughter Sisters In-laws	

X、The quantity of shareholdings of a particular reinvestment business held by the Company, its directors, supervisors, managers and the investment business directly or indirectly controlled by the Company, and the consolidated percentage of combined shareholdings: None.



# Fund Raising

## Fund Raising

### I. Capital and shares

#### 1. Sources of capital

March 30 2024; unit: NT\$1; share

Year/month	Par Value	Authorized Capital		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	Capital Expansion by Assets other than Cash	Others
Mar 1997	1,000	20,000	20,000,000	20,000	20,000,000	Capital for incorporation	No	-
Nov 1998	10	4,400,000	44,000,000	4,400,000	44,000,000	Raised capital of NT\$24,000,000 by issuing new shares	No	-
Jul 1999	10	12,400,000	124,000,000	12,400,000	124,000,000	Raised capital of NT\$80,000,000 by issuing new shares	No	Note 1
Sep 2000	10	14,880,000	148,800,000	14,880,000	148,800,000	Issued new shares through capitalization of retained earnings amounted to NT\$ 24,800,000.	No	Note 2
Oct 2001	10	16,368,000	163,680,000	16,368,000	163,680,000	Issued new shares through capitalization of retained earnings amounted to NT\$ 14,880,000.	No	Note 3
Jun 2002	10	30,000,000	300,000,000	20,494,700	204,947,000	Issued new shares through capitalization of retained earnings amounted to NT\$ 40,920,000. Issued new shares through capitalization of employee bonus amounted to NT\$ 347,000.	No	Note 4
May 2003	10	40,000,000	400,000,000	23,868,905	238,689,050	Issued new shares through capitalization of retained earnings amounted to NT\$ 30,742,050 Issued new shares through capitalization of employee bonus amounted to NT\$ 3,000,000.	No	Note 5
Jun 2004	10	46,000,000	460,000,000	25,501,900	255,019,000	Issued new shares through capitalization of retained earnings amounted to NT\$ 11,934,450. Issued new shares through capitalization of employee bonus amounted to NT\$ 4,395,500.	No	Note 6
Jun 2005	10	46,000,000	460,000,000	33,952,470	339,524,700	Issued new shares through capitalization of retained earnings amounted to NT\$76,505,700. Issued new shares through capitalization of employee bonus amounted to NT\$ 8,000,000	No	Note 7
Nov 2005	10	61,000,000	610,000,000	34,855,576	348,555,760	Converted the convertible corporate bonds into 903,106 common shares, with the raised capital to be NT\$9,031,060	No	Note 8
Feb 2006	10	61,000,000	610,000,000	39,292,214	392,922,140	Converted the convertible corporate bonds into 4,436,638 common shares, with the raised capital to be NT\$44,366,380.	No	Note 9
May 2006	10	61,000,000	610,000,000	39,625,398	396,253,980	Converted the convertible corporate bonds into 333,184 common shares, with the raised capital to be NT\$3,331,840.	No	Note 10
Jul 2006	10	61,000,000	610,000,000	39,634,166	396,341,660	Converted the convertible corporate bonds into 8,768 common shares, with the raised capital to be NT\$87,680	No	Note 11
Sep 2006	10	61,000,000	610,000,000	47,634,166	476,341,660	Raised capital of NT\$80,000,000 by issuing new shares	No	Note 12
Nov 2006	10	61,000,000	610,000,000	54,950,588	549,505,880	Issued new shares through capitalization of retained earnings amounted to NT\$60,573,000. Issued new shares through capitalization of employee bonus amounted to NT\$ 10,252,300. Converted the convertible corporate bonds into 233,892 common shares, with the raised capital to be NT\$2,338,920	No	Note 13
Apr 2007	10	75,000,000	750,000,000	55,087,365	550,873,650	Converted the convertible corporate bonds into 136,777 common shares, with the raised capital to be NT\$1,367,770	No	Note 14
Jun 2007	10	75,000,000	750,000,000	62,501,365	625,013,650	Issued 7,414,000 new shares through private placement, with the raised capital to be NT\$74,140,000	No	Note 15

Year/month	Par Value	Authorized Capital		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	Capital Expansion by Assets other than Cash	Others
Sep 2007	10	85,000,000	850,000,000	64,685,731	646,857,310	Issued new shares through capitalization of retained earnings amounted to NT\$ 5,508,740 Issued new shares through capitalization of employee bonus amounted to NT\$10,252,300 Converted the convertible corporate bonds into 608,262 common shares, with the raised capital to be NT\$6,082,620	No	Note 16
Jun 2008	10	85,000,000	850,000,000	66,357,819	663,578,190	Issued new shares through capitalization of retained earnings amounted to NT\$ 6,468,580 Issued new shares through capitalization of employee bonus amounted to NT\$ 10,252,300	No	Note 17
Jun 2009	10	100,000,000	1,000,000,000	73,058,767	730,587,670	Issued new shares through capitalization of retained earnings amounted to NT\$ 59,722,040 Issued new shares through capitalization of employee bonus amounted to NT\$ 7,287,440.	No	Note 18
Sep 2010	10	120,000,000	1,200,000,000	88,309,000	883,090,000	Issued new shares through capitalization of retained earnings amounted to NT\$ 142,464,600. Issued new shares through capitalization of employee bonus amounted to NT\$ 10,037,730.	No	Note 19
Aug 2011	10	120,000,000	1,200,000,000	90,086,658	900,866,580	Issued new shares through capitalization of retained earnings amounted to NT\$8,830,900. Issued new shares through capitalization of employee bonus amounted to NT\$ 8,945,680.	No	Note 20
Aug 2012	10	120,000,000	1,200,000,000	91,626,699	916,266,990	Issued new shares through capitalization of retained earnings amounted to NT\$9,008,660. Issued new shares through capitalization of employee bonus amounted to NT\$ 6,391,750.	No	Note 21
Aug 2013	10	120,000,000	1,200,000,000	92,907,263	929,072,630	Issued new shares through capitalization of retained earnings amounted to NT\$9,162,660. Issued new shares through capitalization of employee bonus amounted to NT\$ 3,642,980.	No	Note 22
Aug 2014	10	120,000,000	1,200,000,000	94,113,057	941,130,570	Issued new shares through capitalization of retained earnings amounted to NT\$9,290,720. Issued new shares through capitalization of employee bonus amounted to NT\$ 2,767,220.	No	Note 23
Aug 2015	10	120,000,000	1,200,000,000	95,277,388	952,773,880	Issued new shares through capitalization of retained earnings amounted to NT\$ 9,411,300. Issued new shares through capitalization of employee bonus amounted to NT\$ 2,232,010.	No	Note 24
Aug 2016	10	120,000,000	1,200,000,000	96,476,038	964,760,380	Issued new shares through capitalization of retained earnings amounted to NT\$ 9,527,730. Issued new shares through capitalization of employee remunerations amounted to NT\$ 2,458,770.	No	Note 25
Aug 2017	10	120,000,000	1,200,000,000	97,685,031	976,850,310	Issued new shares through capitalization of retained earnings amounted to NT\$ 9,647,600. Issued new shares through capitalization of employee remunerations amounted to NT\$ 2,442,330.	No	Note 26
Oct 2021	10	120,000,000	1,200,000,000	100,859,462	1,008,594,620	Issued new shares through capitalization of retained earnings amounted to NT\$ 29,305,500 Issued new shares through capitalization of employee remunerations amounted to NT\$ 2,438,810	No	Note 27

Year/month	Par Value	Authorized Capital		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	Capital Expansion by Assets other than Cash	Others
Aug 2022	10	120,000,000	1,200,000,000	102,182,048	1,021,820,480	Issued new shares through capitalization of retained earnings amounted to NT\$ 10,085,940 Issued new shares through capitalization of employee remunerations amounted to NT\$ 3,139,920	No	Note 28
Aug 2023	10	120,000,000	1,200,000,000	103,492,971	1,034,929,710	Issued new shares through capitalization of retained earnings amounted to NT\$10,218,200 Issued new shares through capitalization of employee remunerations amounted to NT\$ 2,891,030	No	Note 29

- Note 1: At the approval of Securities and Futures Commission of the Ministry of Finance under Letter 1999.7.19(88) Tai-Tsai-Cheng (I) No.63994.
- Note 2: At the approval of Securities and Futures Commission of the Ministry of Finance under Letter 2000.9.18(89) Tai-Tsai-Cheng (I) No.78517.
- Note 3: At the approval of Securities and Futures Commission of the Ministry of Finance under Letter 2001.10.9(90) Tai-Tsai-Cheng (I) No.162012.
- Note 4: At the approval of Securities and Futures Commission of the Ministry of Finance under Letter 2002.6.19(91) Tai-Tsai-Cheng (I) No.0910133129.
- Note 5: At the approval of Securities and Futures Commission of the Ministry of Finance under Letter 2003.5.26 Tai-Tsai-Cheng (I) No.0920123022.
- Note 6: At the approval of Securities and Futures Commission of the Ministry of Finance under Letter 2004.6.04 Tai-Tsai-Cheng (I) No.0930124844.
- Note 7: At the approval of Financial Supervisory Commission of the Executive Yuan under Letter 2005.6.07 Chin-Kuan-Cheng (I) No.0940122740.
- Note 8: At the approval of Ministry of Economic Affairs under Letter 2005.11.25 Ching-Shou-Chung-Tzi No. 09433215370.
- Note 9: At the approval of Ministry of Economic Affairs under Letter 2006.02.17 Ching-Shou-Chung-Tzi No.09531714710.
- Note 10: At the approval of Ministry of Economic Affairs under Letter 2006.05.02 Ching-Shou-Chung-Tzi No.09532117920.
- Note 11: At the approval of Ministry of Economic Affairs under Letter 2006.07.18 Ching-Shou-Chung-Tzi No.09532523600.
- Note 12: At the approval of Financial Supervisory Commission of the Executive Yuan under Letter 2006.06.06 Chin-Kuan-Cheng (I) No.0950120110.
- Note 13: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings under Letter 2006.09.18 Chin-Kuan-Cheng (I) No.095014275.  
At the approval of the Ministry of Economic Affairs on conversion of corporate bonds into common shares under Letter 2006.11.07 Ching-Shou-Shang-Tzi No.09501247890.
- Note 14: At the approval of Ministry of Economic Affairs under Letter 2007.04.30 Ching-Shou-Chung-Tzi No.09601092770.
- Note 15: At the approval of Ministry of Economic Affairs under Letter 2007.06.12 Ching-Shou-Chung-Tzi No.09601127360.
- Note 16: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings under Letter 2007.07.09 Chin-Kuan-Cheng (I) No. 0960034976.  
At the approval of the Ministry of Economic Affairs on conversion of corporate bonds into common shares under Letter 2007.09.13 Ching-Shou-Shang-Tzi No.0960125730.
- Note 17: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings under Letter 2008.06.19 Chin-Kuan-Cheng (I) No.0970030752.
- Note 18: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings under Letter 2009.06.22 Chin-Kuan-Cheng (I) No.0980030830.  
At the approval of the Ministry of Economic Affairs under Letter 2009.08.10 Ching-Shou-Shang-Tzi No.09801179010.
- Note 19: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings under Letter 2010.08.06 Chin-Kuan-Cheng (I) No.0990041257.  
At the approval of Ministry of Economic Affairs under Letter 2010.11.02 Ching-Shou-Shang-Tzi No.09901245300.
- Note 20: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings under Letter 2011.07.08 Chin-Kuan-Cheng-Fa-Tzi No.1000031705.  
At the approval of Ministry of Economic Affairs under Letter 2011.08.15 Ching-Shou-Shang-Tzi No.10001186730.
- Note 21: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings under Letter 2012.06.25 Chin-Kuan-Cheng-Fa-Tzi No.1010027987.  
At the approval of Ministry of Economic Affairs under Letter 2012.08.06 Ching-Shou-Shang-Tzi No.10101159740.
- Note 22: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings under Letter 2013.06.28 Chin-Kuan-Cheng-Fa-Tzi No.1020025274.  
At the approval of Ministry of Economic Affairs under Letter 2013.08.16 Ching-Shou-Shang-Tzi No.10201166230.
- Note 23: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings under Letter 2014.07.03 Chin-Kuan-Cheng-Fa-Tzi No.1030025252.  
At the approval of Ministry of Economic Affairs under Letter 2014.08.14 Ching-Shou-Shang-Tzi No.10301166890
- Note 24: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings under Letter 2015.07.01 Chin-Kuan-Cheng-Fa-Tzi No.1040024741.  
At the approval of Ministry of Economic Affairs under Letter 2015.08.24 Ching-Shou-Shang-Tzi No.10401170950
- Note 25: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings on 2016.06.16.  
At the approval of Ministry of Economic Affairs under Letter 2016.08.01 Ching-Shou-Shang-Tzi No. 10501180160
- Note 26: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings on 2017.06.30.  
At the approval of Ministry of Economic Affairs under Letter 2017.08.15 Ching-Shou-Shang-Tzi No. 10601112980
- Note 27: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings on 2021.08.31.  
At the approval of Ministry of Economic Affairs under Letter 2021.10.20 Ching-Shou-Shang-Tzi No. 11001189080
- Note 28: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings on 2022.06.27.  
At the approval of Ministry of Economic Affairs under Letter 2022.08.24 Ching-Shou-Shang-Tzi No. 11101152270
- Note 29: At the approval of Financial Supervisory Commission of the Executive Yuan on capitalization of retained earnings on 2023.06.07.  
At the approval of Ministry of Economic Affairs under Letter 2023.07.27 Ching-Shou-Shang-Tzi No. 11230145170

March 30 2024; unit: share

Type of stock	Authorized Capital			Remarks
	Outstanding shares	Non-issued shares	Total	
Common stock	103,492,971 shares	16,507,029 shares	120,000,000 shares	Stocks listed in Taipei Exchange

## 2. Shareholder structure

### Shareholder Structure

March 30 2024; unit: people; share

Shareholder Quantity	Government agencies	Financial institutions	Other Juridical institutions	Individuals	Foreign institutions and individuals	Total
Number of Shareholders	2	34	59	21,139	298	21,532
Shares Held	817,267	5,899,024	45,572,271	23,020,255	28,184,154	103,492,971
Holding Percentage	0.79%	5.70%	44.03%	22.24%	27.24%	100%

## 3. Distribution of shareholders

March 30 2024; Common shares: NT\$10/share

Tiers of shareholdings	Number of shareholders	Total Shares Held	Holding Percentage
1 to 999	17,923	2,185,566	2.11%
1,000 to 5,000	3,085	4,915,814	4.75%
5,001 to 10,000	191	1,346,057	1.30%
10,001 to 15,000	72	893,343	0.86%
15,001 to 20,000	42	728,572	0.70%
20,001 to 30,000	41	997,214	0.96%
30,001 to 40,000	24	836,664	0.81%
40,001 to 50,000	18	818,953	0.79%
50,001 to 100,000	45	3,007,494	2.91%
100,001 to 200,000	34	4,957,065	4.80%
200,001 to 400,000	15	3,835,335	3.71%
400,001 to 600,000	11	5,422,634	5.24%
600,001 to 800,000	6	4,046,903	3.91%
800,001 to 1,000,000	5	4,505,507	4.35%
More than 1,000,001	20	64,995,850	62.80%
Total	21,532	103,492,971	100.00%

Note: Distribution of preferred stocks: None

## 4. List of major shareholders

March 30 2024

Shares	Number of Shares Held	Holding Percentage
Names of major shareholders		
Duo Chin Investment Co., Ltd.	8,584,074	8.29%
Poya Investment Co.,Ltd.	8,416,560	8.13%
Chen Ching Investment Co., Ltd.	7,914,687	7.65%

Chen Zong-Cheng	6,464,680	6.25%
Maersk Investment Co., Ltd.	5,227,854	5.05%
Gao Heng Investment Co., Ltd.	3,127,603	3.02%
Chang Yi Investment Co., Ltd.	2,950,667	2.85%
Chen Lee-Lee	2,567,129	2.48%
Capital Tip Customized Taiwan Select High Dividend ETF	2,246,000	2.17%
Viking Investment Limited Company	2,233,529	2.16%

5. The market price, net value, earnings and dividends, and other relevant information for the last two years

Unit: New Taiwan Dollar

Item \ Year		FY2022	FY2023	As of March 31, 2024 (Note 8)
Market price per share (Note 1)	Highest	503	627	556
	Lowest	259	459.5	483.5
	Average	403.64	549.71	509.64
Net value per share (Note 2)	Before Distribution	59.41	61.01	-(註 10)
	After Distribution	35.51	40.01(Note9)	-
Earnings per share	Weighted average number of shares(1,000 shares)		102,182	103,493
	Earnings per share	Before adjustment	20.26	24.41
		After adjustment	20.06	24.41
Dividend per share	Cash dividends		23.90	21.00
	Stock dividends	From earnings	0.1	0.1
		From capital surplus	-	-
	Accumulated Undistributed Dividends (Note 4)		-	-
Return on Investment	P/E ratio (Note 5)		20.12	22.52
	P/D ratio (Note 6)		16.89	26.18
	Cash dividend yield rate (Note 7)		5.92%	3.82%

Note 1: List the highest, lowest and average price in each year, and calculate the average market price of each year based on the transaction value and transaction volume of each year.

Note 2: Please fill in the information based on the quantity of outstanding shares at the end of the year and the distribution according to the resolution of the Board of Directors or the Shareholders Meeting in the next year.

Note 3: If retrospective adjustment is necessary due to stock dividends, the EPS before and after the adjustment shall be stated.

Note 4: If there is an issue requirement of equity securities that unpaid dividend could be accumulated to the year with earnings for distribution, the cumulated amount of unpaid dividends up to the year shall be disclosed.

Note 5: P/E ratio = average price per share at closing in the current year/earnings per share.

Note 6: P/D ratio = average price per share at closing in the current year/cash dividends per share

Note 7: Cash dividend yield rate = cash dividend per share/average price per share at closing in the current year.

Note 8: Information on March 31, 2024 has not yet been reviewed by the CPA

Note 9: The proposal of cash dividends for FY 2023 has been approved by the Board of Directors on February 26, 2024, and the proposal of stock dividends for FY 2023 has been approved by the Board of Directors on February 26, 2024. This is to be determined by the resolution of the 2024 annual shareholders meeting this time.

Note 10: As of the printing date, the net value per share has not yet been reviewed by the CPA.

Note 11: Information covers the period of less than one year.

6. Dividend policy and implementation

A. Dividends policy as stated in the Company's Articles of Incorporation

In a changing environment of the industry that we operate, we are in a steady growth of the corporate lifecycle. After the confirmation of the financial statements each year, the Company shall pay the income tax and also offset losses for previous years. If after this, retained earning remains, the Company shall set aside 10% as legal reserve and may set aside or reverse more amount as special reserve based on the law. The remaining profits are distributable earnings for the current period, being added to the accumulated retained earnings from the previous year to be equal to accumulated distributable earnings.

The Board of Director made the Company's dividend policy proposal determined by the industry the Company operates with consideration of the Company's future operations, investment environment, shareholders' interests, and other relevant factors. In accordance with Article 21 of Articles of Incorporation, if the distribution of shareholders' dividends and bonuses fully or partially paid by cash, the Board of Directors is authorized to make a resolution with presence of two thirds of the directors and with approval by more than half of the board members and report to shareholders' meeting, which does not apply to the provisions of the 2<sup>nd</sup> paragraph that should be resolved by the shareholders' meeting.

Every year, 50%-100% of the accumulated distributable earnings shall be allocated to shareholders as dividends and bonuses. The shareholders' dividends and bonuses shall be distributed in cash or stock. The cash dividends shall not be less than 1% of total dividends. If cash dividend is lower than NT\$ 0.5 per share, stock dividend shall be substituted for cash dividend

New shares or cash shall be issued from the legal reserve with the limitation that the monetary amount of new shares or cash shall not exceed 25% of the part which legal reserve is in excess of the paid-in capital.

B. Information on dividends distribution in 2023

On February 26, 2024, the Board of Directors made the resolution on distribution of 2023 earnings as followed:

The accumulated earnings NT\$2,173,352,391 shall be appropriated as cash dividends (NT\$21 dollars per share). Considering the future business development, the Company proposes to allocate NT\$10,349,290 from the Company's 2023 surplus available for appropriation, and to issue 1,034,929 shares as capital increase. After the stock dividend is approved by the shareholders' meeting, the Board of Directors is authorized to determine the cash dividend record date and payment date. If the change in the Company's share capital affects the number of outstanding shares, the shareholder allotment or the dividend rate, the Board of Directors shall be fully authorized by shareholders' meeting to handle the related matters.

C. Summary of significant change on expected dividend policy: None.

D. Other Supplementary Information: The Company shall pay cash dividends at least 10% of total dividends in the following two years.

7. Impact on the Company's operating performance and earnings per share of the stock dividend proposed at the Shareholders' Meeting:

Due to operation expansion needs, 1,034,929 share of stock dividends are issued in 2023. The company keeps its cash from retained earnings for store expansion in the future. Under the premise that issuing stock dividends will be beneficial to business performance and the company's revenue will grow steadily, the diluted effect on earnings per share is limited.

Title			Year	2024 estimated (for the distribution of 2023 earnings)
Beginning Capital (unit: NT\$ 1,000)				1,034,929
2023 Dividend Policy	Cash dividend per share			21.0 dollars (Note 1)
	Retained earnings transferred to common stock			0.01shares (Note 1)
	Capital surplus transferred to common stock			0 share
Business Performance	Operating profit			(Note 2)
	Operating profit growth (YoY)			
	Net profit			
	Net profit growth(YoY)			
	Earnings per share			
	Earnings per share growth(YoY)			
	Average annual return on investment (Reciprocal of average P/E ratio)			
Pro forma EPS and P/E ratio	If all retained earnings are transferred to cash dividends	Pro forma earnings per share		
		Pro forma average annual return on investment		
	If capital surplus is not transferred to common stock	Pro forma earnings per share		
		Pro forma average annual return on investment		
	If capital surplus is not transferred to common stock and all retained earnings are transferred to cash dividends	Pro forma earnings per share		
		Pro forma average annual return on investment		

Note 1: The above-mentioned dividend distribution rate is calculated based on a total of 103,492,971 issued shares, by which the Board of Directors resolved the profit distribution on February 26, 2024. The proposal of stock dividends is to be determined by the resolution of the 2024 annual shareholders meeting this time.

Note 2: According to the “Regulations Governing the Publication of Financial Forecasts of Public Companies”, the company is not obligated to publicate financial forecasts of 2024. Therefore, there are no 2024 financial forecasts.

Chairman: Chen Jian-Zao

General Manager: Chen Zong-Cheng

Finance and Accounting manager: Shen Hong-Yu



8. Remunerations to employees and the directors
  - A. The percentage or scope of remunerations to employees and the directors as stated in the Articles of Incorporation:
 

The employees' remuneration shall not less than 5% and the directors' remuneration shall not exceed 6% of the profits in the current year after offsetting the accumulated losses. (The profits in the current year are the profits before income tax excluding the calculation of the employees' and directors' remuneration.)

The employees' remuneration shall be distributed in stock or cash, and shall also be distributed to those employees of affiliated companies who meet specific conditions.
  - B. The estimated principles of remunerations to employees and the directors, the share basis for employee bonus distributed by stocks and the accounting treatment if there is any discrepancy between the actual and estimated amount of remunerations to employees, the directors and supervisors:
 

The calculation basis of the number of new issued shares for employees' compensation in 2023FY is based on the closing price one day prior to the Board resolution date. The employees' compensation shall be distributed in cash if less than one share.

The employees' and directors' remuneration mentioned above shall be treated as expenses in 2023. There is no difference between the amount of recognized expenses and the amount of employees' and directors' remuneration passed by the Board of Directors.
  - C. Remunerations distribution approved by the Board of Directors
    - (A) Employee compensation and director compensation distributed in cash or stock:
 

Employees' remuneration distributed in stock was NT\$201,300,000 in FY2023

Directors' remuneration was distributed in cash of NT\$5,780,000 in FY2023

There is no difference with the amount of recognized expenses in FY 2023
    - (B) The amount of employee remuneration distributed in stock and the proportion of the current period's individual financial report after-tax net profit and total employee remuneration: 7.4%
  - D. The actual distribution of the remuneration of employees and the directors in the previous year (including the number of shares distributed, amount and stock price), and the discrepancies between the remuneration of employees, directors and supervisors recognized, and the difference, reasons and handling shall be stated:
    - (A) The actual distribution of remuneration for employees and directors in FY2022 is as follows:
 

On February 20, 2023, the board of directors of the company passed the resolution on employee compensation and director compensation distribution in FY2022. It was decided to distribute employee compensation of NTD 164,500,000 in stock and NTD 5,280,000 to directors in cash.
    - (B) The actual amount of remuneration distributed to employees and directors by the Company in FY2022 was NT\$ 169,780,000, which was not different from the amount recognized as expenses in FY2022
9. Repurchase of Company's shares: None.
- II. Issuance of corporate bonds: None.
- III. Issuance of preferred shares: None.
- IV. Global depository receipts: None.
- V. Issuance of employee stock option plan: None.
- VI. Employee restricted stock plan: None.
- VII. Issuance of new shares to merge with or acquire other companies: None.
- VIII. Capital planning and implementation: None.

## Operating Highlights

### Operating Highlights

#### I. Business activities

##### A. Business scope:

##### 1. Key Operations:

###### (A) Skincare and cosmetic products

There are well-known brands of skincare and cosmetic products displayed over-the-counter, dermatology and cosmetology counter, and open-shelf affordable cosmetic care products.

###### (B) Daily necessities

There are household items, daily groceries, bathing and other necessary commodities for daily life, as well as professional hardware, tools, water material, and other repair products.

###### (C) Personal Goods

There are snacks, stationery, leather goods, and accessories, etc.

###### (D) Underwear and socks

There are well-known underwear counter and personalized and popular underwear and socks.

##### 2. Business proportion

Currency unit: NT\$ 1,000

Major products or services	Sales in FY2023	
	Amount	Proportion (%)
Skincare and cosmetic products	8,816,353	39.93%
Daily necessities	8,052,785	36.47%
Personal Goods	3,198,185	14.49%
Underwear and socks	2,011,372	9.11%
Total	22,078,695	100%

##### 3. Current products and services offered by the Company:

(A) Trendy skincare and cosmetic items, accessories, perfume, and imported personal cleaning and beauty care products.

(B) Branded cosmetics counter.

(C) Branded underwear counter.

(D) Imported trendy leather goods and ornaments.

(E) Trendy socks, male and female underwear, headwear, scarves, handkerchiefs and other seasonal items.

(F) Household cleaning products, personal cleaning and hair products, grocery goods, and bathing products.

(G) Trendy stationery and gifts.

(H) Various kinds of snacks.

(I) Daily items, grocery and home fixtures.

(J) Various kinds of hardware products.

(K) Parking space and chartered parking space are available in some of branches.

(L) Free storage services.

##### 4. New services in the future:

(A) Rest rooms, fitting rooms and dressing table are provided in some of branches.

(B) Poya FB fan page provides product introduction videos, event introductions and new product recommendations

(C) Offer some products for customers to test in some of branches.

(D) Poya launched our digital payment, Poya Pay, in early 2021, providing functions such as checkout convenience, online DM, member reward points accumulation, and marketing activities to enhance consumer experience. In the middle of 2021, Poya launched our online shopping platform, Poya Buy, to meet customers' demand for online shopping, and accelerate Poya's OMO strategy by integrating our online platform and offline store formats.

- (E) In 2022, Poya will focus on membership management, and connect more community needs through the development of regular customer system, and then promote our brand, products and marketing activities to continuously increase member loyalty.
- (F) In 2023, Poya will enhance customer experience in physical stores through differentiation of market positioning, improvement of service capabilities, product development plan, and the launch of Poya Beauty, the new format shop. And through digital transformation and optimization, we further integrated Poya Pay and Poya Buy to enhance precision marketing capabilities. By optimizing services, we aimed to improve customer loyalty and continue to deepen the brand value of Poya.
- (G) In 2024, we will accelerate the expansion pace, including the introduction of new store formats POYA Beauty and in-store shops. This expansion aims to increase market share and scale of operations. Moving forward, we will continue to optimize precision marketing by understanding customer needs and market positioning. We will launch diverse marketing campaigns to strengthen our brand competitiveness, thereby driving revenue and profit growth.

## B. Industry Overview:

### 1. Industry situation and development

Benefiting from post-pandemic recovery, the overall retail sector in Taiwan maintained steady growth in 2023, reaching 4.58 trillion NT dollars, marking a 6.9% increase. Among them, the retail sales in non-specialized stores are retail stores engaging in the sales of various series of products in a non-specific exclusive form, such as supermarkets, convenience stores, hypermarket, department stores and other retail sales in non-specialized stores, grew by 9.3%. This growth rate exceeds the compound annual growth rate (CAGR) of Taiwan's retail sales in non-specialized stores from 2013 to 2023, which stood at 4.1%. Supermarkets and hypermarkets experienced relatively stable growth, achieving a year-on-year growth of 1.4% and a decline of 2.2%, respectively, in 2023. On the other hand, department stores, other comprehensive retail stores, and convenience stores witnessed growth of 13.8%, 38.0%, and 8%, respectively, benefiting from consumers returning to physical stores post-pandemic. These segments emerged as the main drivers of growth.

#### 2011~2023 Annual Sales of the Retail Sales in Non-specialized Stores

Currency unit: NT\$ million

Year	Sales	Annual growth rate
2011	957,655	6.28
2012	1,002,564	4.69
2013	1,028,124	2.55
2014	1,077,398	4.79
2015	1,116,823	3.66
2016	1,164,705	4.29
2017	1,178,201	1.16
2018	1,222,612	3.77
2019	1,272,664	4.09
2020	1,292,099	1.53
2021	1,302,550	0.81
2022	1,404,231	7.81
2023	1,534,335	9.27

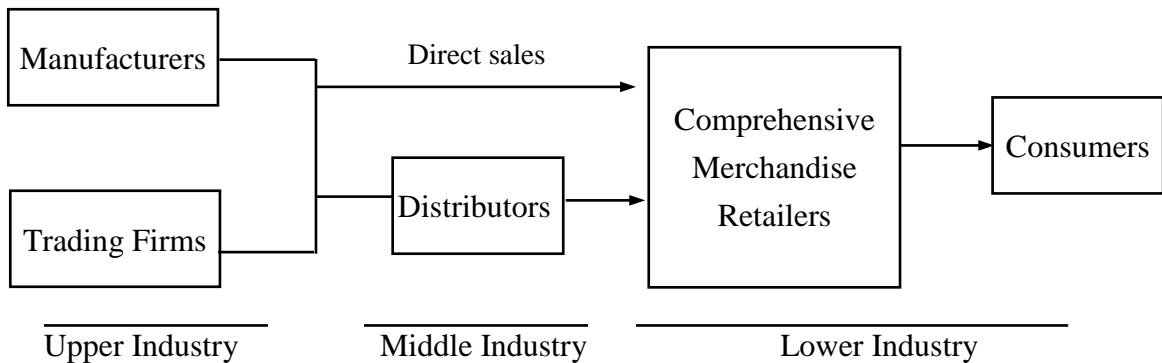
Source: "Business Sales Statistics" compiled by the Department of Statistics, Ministry of Economic Affairs.

Due to changes in the market environment and technological progress, consumer behavior has changed to prefer a faster and more convenient shopping experience. As the boundaries of the retail industry are blurred, Omni-channel and OMO have become the trend of the

retail industry. In addition, because Taiwan's living area is close to commercial areas, coupled with the convenience of transportation, physical channels can be closer to consumers. Through stores expansion, physical channels can further establish economies of scale, and reduce purchase costs through centralized procurement. The chain system further builds up its competitive advantages by product assortment optimization and diversified marketing activities.

## 2. Vertical supply chain

The sources of merchandises sold by the Company include manufacturers, distributors, and traders. In order to achieve the purpose of reducing costs, the Company gradually turns to source products directly from traders and manufacturers.



## 3. Product development trends

### (A) Affordable fashion trend

Thanks to the changing consumer habits, younger generation nowadays prefers affordable trendy products. We noted the trend and hope to fulfill the customer demand.

### (B) Business development of large scale and chain store system

In order to enhance its economies of scale and national image of the enterprise, the development of retail channels towards large-scale and chain stores has become a market trend. Large scale and chain store system can help the Company lower its operational expenses and improve the efficiency which makes the operation management, merchandise purchase, marketing planning and development, and inventory management more competitive. Leveraged by its enhancing scale to improve the competitive and brand awareness, the company can achieve the development goals of market share expansion and rapid duplication.

### (C) Product optimization

In order to provide consumers with diversified products and one stop shopping services, Poya International regularly holds focus interview meetings. Simultaneously, Poya International expands category development and optimizes products with the thoughts close to female customers and lifestyle. For example, since the road running trend and traveling trend are getting popular in Taiwan in recent years, Poya International has introduced related products to reduce the search cost and purchase time of customers.

## 4. Product competitiveness

Due to the high homogeneity of non-specialized products, there are several sales channels for products of the same kind and the same brand. The incentives to attract consumers to purchase are the following factors:

(A) Price: When the price of the desired product is significantly cheaper than that of other retailers, due to the high homogeneity of the product, the possibility of being replaced increases, and consumers may lose their loyalty to the brand and turn to retail channels that provide lower prices.

(B) Convenience: according to a survey conducted by the “Retail Market” magazine, insufficient time for shopping is a common problem of consumers in developed countries such as Europe and America. Thus, the Company offers a well-designed

shopping space and convenient purchase services to lower the effect of insufficient time on the customers' purchase.

- (C) Variety of products: Due to insufficient time for shopping, the customers tend to complete the most shopping needs in the least place. Thus, one-stop shopping and other value-added services become the important factors to attract customers.

In sum, by offering the products and services with the factors above, the Company can maintain the existing customers since the customers tend to purchase in the particular store they are familiar with, and broaden the customer base.

On the other hand, the service quality is also an important factor to determine whether the customer makes a purchase decision in the store, which includes how much the store personnel understands the products, whether the personnel can offer the consultant services and after-sale services of the products and interacts properly with the customers. In the spirit of "Service first, Customer first", Poya hopes to provide customers with the most comprehensive shopping service.

### C. Technology and R&D:

#### 1. Expenses of introduction of the electronic application system

Currency unit: NT\$ 1,000

Item	Year
Expenses of the electronic application system	FY2023
Net sales	910
Proportion to net sales	22,078,695
	0.004%

#### 2. R&D Plans and Projected Investment: The estimated investment in R&D in 2024 was approximately NT\$ 27 million.

- A. In addition to continuing to utilize cloud platforms for the POYA APP and official website, Poya will expand the use of cloud-based AI applications. Leveraging the high scalability and dynamic resource adjustment capabilities of cloud platforms, we aim to reduce hardware investments in servers and enhance our ESG efforts to reduce carbon emissions. It is expected to continue to be used in 2024, and the estimated cost is about NT\$12 million.

R&D plan	Current progress	Further investment	Scheduled launch date	Benefits of the R&D
Cloud Server	In Use	NT\$ 12 million	January 2024	Meeting the dynamic operational load demands through cloud-based versatile application services and scalable resource characteristics.

- B. Improve information security protection, build " Managed Detection and Response (MDR) endpoint detection software", " Security Operation Center (SOC) monitoring services "and conducting social engineering drills, penetration testing, and other information security defense mechanisms. Enhance endpoint protection and analyze server abnormal status to improve the organization's internal lateral cybersecurity defense capabilities, preventing intrusions, network attacks, and other security breaches. It is estimated that the evaluation and construction will be completed in February 2024, and the estimated cost is about NT\$3million.

R&D plan	Current progress	Further investment	Scheduled launch date	Benefits of the R&D
----------	------------------	--------------------	-----------------------	---------------------

Internal Network Information security protection	Under Assessment	NT\$ 3 million	February 2024	To enhance internal network and server information security protection mechanism.
--	------------------	----------------	---------------	---

- C. Improve information security protection, replace the information backup system to enhance the integrity and availability of information data, ensuring that backup data is available to maintain normal operations in the event of cybersecurity threats. It is estimated that the evaluation and construction will be completed in May 2024, and the estimated cost is about NT\$ 6 million.

R&D plan	Current progress	Further investment	Scheduled launch date	Benefits of the R&D
Data backup system	Under Assessment	NT\$ 6 million	May 2024	To enhance the integrity and availability of information data

- D. Implement electronic tags and self-checkout systems to automate processes, enhance consumer service, and improve customer experience, thereby reducing the workload on employees. It is estimated that the evaluation and construction will be completed in October 2024, and the estimated cost is about NT\$ 6 million.

R&D plan	Current progress	Further investment	Scheduled launch date	Benefits of the R&D
Operational automation processes.	Under Assessment	NT\$ 6 million	October 2024	Improve consumer service and customer experience

D. Business development plan in the short and long terms:

1. Short-term plan

(A) Marketing strategy

- (a) Strengthen the image of beauty channel and become the leading beauty channel in Taiwan:  
Given our established one-stop shopping value for our Poya channel, we will deepen market position in the field of beauty channel. By launching new format shop, POYA Beauty, we believe to meet the demand of young generations and cater to the digitalization trend.
- (b) Integrate latest market and consumption trend effectively to select the potential products for marketing:  
Product assortment plan is the foundation of retail business. With precise product selection capability, the company can focus marketing on the popular and sought-after products driving sales growth and high investment efficiency.
- (c) Highlight the selling points and features of the products:  
Investigate into the selling points and features of the potential products and make promotion to the customers through vivid and concise pictures and texts on DM, store advertisements and Facebook. It helps to catch more customers' attention, trigger their potential demands and lead to sales growth.
- (d) Strengthen the product knowledge of the store personnel in order to develop a professional and amiable brand image of Poya International:  
With the complete product education process, the store personnel can introduce and recommend products for customers who have doubts about the purchase in a timely manner based on the familiarity with products. This should improve professional and amiable brand image of Poya International.
- (e) Put emphasis on the customers' demands and increase customer satisfaction:

Collect customers' opinions through various channel such as Facebook, google comments, Instagram, 0800, customer surveys conducted by the branches, and internal communit. After understanding the customer needs, we would draw up the plan and execute to increase customer satisfaction.

- (f) Focus on the membership management in order to maintain member loyalty:
  - A. We segregate members as general members and VIP members according to member consumption, and plan exclusive activities for VIP members. We encourage our store personnel to be familiar with the member activities and pitch to customers, to enhance member participation rate effectively and member loyalty.
  - B. Conduct member database analysis regularly in order to make up the membership management plan and maintain member loyalty.
  - C. Explore the members' outline of life, make new proposals to satisfy the customer demand, and increase loyalty through point-redemption.
  - D. Develop mobile payment, POYA Pay, to shorten checkout process, optimize customers' experience, and enhance customer satisfaction.
  - E. Continue to develop E-commerce (POYA Buy) to meet customers' needs for convenience in digital way.
- (g) Promote co-branded card activities to maintain card holders:
 

Actively cooperate with the co-branded card issuing bank and held various promotional activities which are advertised in DM/promotional materials in the stores to attract card holders to make continued purchases in the stores. By combining resources of both parties, we maximize the value of card holders and effectively maintain co-branded card holders.
- (h) Keep updated on the competitive landscape of the industry to response instantly and create opportunity successfully:
 

We have a thorough study into peers and keep updated on the competitive landscape of the industry to enable us to make up our decision and create business opportunity by dynamic market trend and our competitive advantage.
- (B) Product development plan
  - (a) Maintain the competitiveness of market prices at any time by using the regional market survey mechanism. This helps us to be the leading player in the market.
  - (b) Develop dynamic marketing strategies based on the variation of products and customer demand to enhance our traffic and differentiation.
  - (c) Expand the breadth and depth of products on the existing categories in order to provide customers with more choices and satisfy customer needs.
  - (d) Establish a solid procurement team with negotiation capabilities, regularly send procurement teams to overseas/online meetings to develop and purchase new products, keep abreast of the latest fashion trends and the new product trend in order to meet the needs of consumers.
- (C) Operating scale
  - (a) Enhance the market shares by store expansion.
  - (b) Supervise and correct immediately and improve abnormal conditions by using computer operating system to organize and analyze; and use information management to achieve the purpose of simplification and automation to improve work efficiency.
  - (c) Reinforce the product portfolio and the flexibility of the marketing strategy in order to achieve better operating performance.
  - (d) Regard talents as the most important resource of the company, formulate education and training plans. The centralized training system is used to cultivate our management trainees for future business expansion of the enterprise.
  - (e) Actively develop new business model and strive for diversified development in order to maintain high-growth profile.

(D) Financial strategy

Strengthen the overall cash flow stability to meet the capital needs of future expansion

2. Long-term plan

(A) Marketing strategy

(a) Create the consumption journey with experience of OMO physical E-commerce:

A. Leveraged by our established network of physical stores, Poya connects online and offline platform through integration of E-commerce (POYA Buy). With consolidation of regular customer system, digital advertising, and poya pay, the internal and external digital platform, Poya effectively integrates the four core aspects of members, products, transactions, and data, to maximize the synergy.

B. Explore the business opportunity through social media exposure by developing market potential of our regular customers.

After years of expansion, Poya has an established store network nationwide. Poya will develop further our regular customer system, exploring demand by connecting to community with our loyal customers. With the help of the social media, Poya International can continue to develop our branded product with marketing efforts. This, we hope, to attract the existing customers to visit the stores more frequently and also catch more attention of the potential customers.

(b) Develop a micro-community communication platform for real-time and dynamic interactions with customers:

A. The APP platform:

The APP platform launched since 2015. With the portable APP platform, Poya International can communicate with customers in a real-time and interactive way with information such as marketing activities, e-flyers, best-selling products. In addition, Poya has integrated POYA Pay and POYA Buy since 2023, with a cumulative download rate of 4.3 million people, effectively increasing the breadth and frequency of customers using Poya APP.

B. The Fan Group of Facebook:

i. Take advantage of the power of FB's community connection, Poya demonstrates the featured products by popular bloggers and models to increase topicality and promotional effects.

ii. Our professional FB marketing personnel provides the information of promotional activities, best-selling products, and market trend to make effective communications with fans, and arranges activities by combining the resources of the suppliers in order to boost visits, raise popularity of Poya Fan Group and increase the fans numbers.

C. Instagram:

Establish and maintain the emerging IG platform. With POYA Beauty as the core concept, we deepen our position as a leading beauty channel. By a large number of short video marketing (Reels), we communicate and interact with young customers, and promote our products.

D. Strengthen the function of friend recommendation on "Line" platform to create greatest effect of attracting in-store traffic by real time interaction and information sharing.

(c) Continuously refine the customer analysis mechanism to maximize the benefits of marketing resources:

A. Investigate into and distinguish the customers based on the consumption behaviors and features to improve the analysis system.



- B. Offer exclusive promotional activities designed according to customer consumption patterns to utilize the marketing resources precisely and create the greatest value.
  - C. Focus the resources on the main customer base to maximize the efficiency of marketing resources.
- (B) Product Development Plan
  - (a) Enhance the depth of product category management:  
Enhance the depth of product category management and complete the product line to satisfy the customers' various demands and create consumption opportunity in different areas.
  - (b) Reinforce the brand image of high quality:  
Extend the breadth and depth of the product line according to the nature of different products and develop various merchandises of aesthetic medicine, health foods and private label brand to enhance the promotional effects and strengthen the brand image of Poya's.
  - (c) Introduce product display program for different types of stores:  
Management of the product display and product flow according to different types of stores to make the purchase and return of the products more efficient.
- (C) Operating scale
  - (a) Continue to expand the scale of operation and fully develop the Taiwan market
  - (b) Establish an effective training system and execute the performance evaluation system which focuses on the competence of the employee to improve the quality of human resources and operating performance.
- (D) Financial strategy  
Establish prudent financial policies in line with operating conditions. The financial department will plan the supply of funds by aligning with procurement, marketing and store expansion plan. With advanced financial management capabilities, the financial department can strengthen and conduct a complete follow-up and evaluation of the source of funds, their use and the benefits after implementation.

## II. Market analysis

### A. Market analysis:

#### 1. Main product (service) sales areas and the market shares:

##### (A) Main product (service) sales areas:

Poya International is the ending channel of non-specialized retailer. Our major customers are general consumers and also enterprises in Taiwan. Currently, Poya International is only engaged in domestic market. The sales of major products by region in the last 3 years are shown in the table below:

Currency unit: NT\$ 1,000

Region \ Year		FY2021		FY2022		FY2023	
		Amount	%	Amount	%	Amount	%
Domestic market	North	6,855,351	39.2	7,819,164	40.1	9,358,111	42.4
	Central	4,582,928	26.2	5,079,795	26.1	5,500,563	24.9
	South	2,721,236	15.6	2,992,321	15.4	3,273,374	14.8
	Kaohsiung and Pingtung	3,309,693	19.0	3,584,889	18.4	3,946,647	17.9
Total		17,469,208	100.0	19,476,169	100.0	22,078,695	100.0

##### (B) Market shares

The sales in FY2021, FY 2022 and FY 2023 were NT17.469, NT19.476, and 22.079 billion respectively. (See the table below) The market share was 16.4%, 15.8%, and 12.9% in the last 3 years, among other non-specialized stores of the national retail sale in non-specialized stores.

#### Annual Sales and Growth Rate of the Retail sale in non-specialized stores

Currency unit: NT\$ million; %

Industry \ Year	FY2019	FY2020	FY2021	FY2022	FY2023
Department store	355,205	354,083	342,601	394,635	449,216
Growth rate	4.44	-0.32	-3.24	15.19	13.83
Supermarket	207,752	229,915	248,198	254,793	258,241
Growth rate	4.65	10.67	7.95	2.66	1.35
Convenience store	331,633	361,008	361,448	382,074	412,575
Growth rate	3.08	8.86	0.12	5.71	7.98
Hypermarket	210,135	228,745	243,945	249,099	243,656
Growth rate	5.31	8.86	6.64	2.11	-2.19
Other Comprehensive Store	167,939	118,348	106,358	123,630	170,646
Growth rate	3.22	-29.53	-10.13	16.24	38.03
Comprehensive Store	1,272,664	1,292,099	1,302,550	1,404,231	1,534,335
Growth rate	4.09	1.53	0.81	7.81	9.27

Source: "Statistics of Commercial Sales", compiled by the Department of Statistics, Ministry of Economic Affairs.

#### 2. The supply and demand, and growth potential of the market:

Poya International is the channel for selling delicate daily merchandises in a chain operation system. The niche products are trendy skin care and cosmetic products, and delicate personal supplies. With the comfortable shopping space, Poya International can differentiate from the hypermarkets, supermarkets, convenience stores, pharmacies and drug stores and can be one of an independent channel in the retailing industry. Given

our delicate, trendy, various and personalized product offerings, and dynamic marketing strategy to create and lead the market trend, Poya International targets the young consumers, mainly female group, with age ranging from 15-49 as the main customers. It is expected that the overall market will grow steadily in the future, benefiting from the increase in female employment and spending power.

Poya International focuses on young consumers, so we emphasize personalized and trendy products. The products sold by Poya International can be separated into four categories, including trendy skin care and cosmetic products, daily merchandises, trendy underwear and socks, and delicate and personal supplies. By the end of March 2024, there were 393 stores (370 Poya stores and 23 Poya Home stores) and Poya International still expands its new stores successively. Compared to the direct competitors, Poya International has a clear leading position in the industry.

3. Competitive advantage:

Our successful store expansion is one of the key factors leading to our success. By remodeling the stores, Poya International can offer the customers a comfortable shopping environment. Poya International's stores are all leased, which leads to lower capital and operating costs compared to self-build by lease or purchase of land by hypermarkets and department stores. Whenever opening a new store, Poya International will previously make a detailed assessment and planning of the business community in which the store is located, the market analysis, the product mix, the personal training and the target market. Because of the ability to attract target customers and experience in expending stores, Poya International maintain the leading position in the market.

Poya International adopts the POS system, business intelligence (BI) system, and electronic procurement module to collect the sales data from each store which would then report to the headquarter for analyzing. As such, management team can have good knowledge of the real-time operations and master the market trends and consumer behaviors for the whole market. With understanding of product flow and inventory level, Poya International can adjust adequately the pricing strategy with flexible product operation and marketing mechanism, in order to attract target customers, create profits and enhance the market competitiveness.

4. Positive and negative factors for future growth and strategic responses:

(A) Positive factors:

(a) Continued growth of market size in retail sale in non-specialized stores.

(b) Instantaneous information system

Thanks to the business intelligence (BI) system and the POS system, Poya can collect real-time sales data to monitor sales trends.

(c) Effective marketing strategy and product development capability

The company has always adhered to the business philosophy of "connect and meet the needs" and the business mission of "mastering new fashion information and satisfying customers' diverse choices". As a leading retailer, Poya International continuously develops trendy, personalized, and delicate products. With the diversified products, flexible promotional system and effective marketing strategy, Poya International can manage the product flow or sales performance in time and adjust adequately the price to meet customer needs.

(d) Effective inventory management

Poya International is a non-specialized retailer offering various products and daily goods. The major inventories are displayed on the shelves in each store. In order to make effective management, Poya International establishes various indicators for inventory control such as inventory turnover rate, ratio of purchases to sales, sales ranking of products. Also with the complete purchase-sale inventory control system, information system of operation management and marketing strategy, Poya can effectively control the

inventories. Also, Poya has introduced the centralized logistic center in order to reduce the inventory level and improve the efficiency.

(e) Excellent operation performance

Poya International was ranked among the top 2000 national enterprises in the service sector according to the survey conducted by the Common Wealth Magazine every year. This award shows the operation performance of the company given our stable and long-term relationship with the suppliers, enhancing bargaining power backed by economies of scales, to increase the competitive capabilities and continue to actively expand the market share of beauty retail channels.

(B) Unfavorable factors and Countermeasures:

Unfavorable factors	Strategies
Severe competition in the retail sale in non-specialized stores	<ol style="list-style-type: none"> <li>1. Establish a complete managerial system and have a full control of the product flow, including procurement, marketing and planning, store management and analysis of operating information, to respond to market changes.</li> <li>2. Enhance the education and training of employees to improve the service quality.</li> <li>3. Adjust product mix and highlight product features based on the natures of customers in different business district to satisfy their needs.</li> </ol>
The change of demographic structure-aging population with low birthrate	Through the development of new products, Poya International introduces branded health food and nutrition supplements to develop the potential market.

B. Key purpose of major products and the production process:

Major products	Purpose
Trendy skin care and cosmetic products	There are well-known cosmetics brands displayed over-the-counter, such as Shiseido and Kose; various cosmetics, skin-care products, and merchandises of aesthetic medicine.
Daily merchandise	There are daily necessities, groceries, household fixtures, bedding items, and various kinds of hardware products.
Delicate and personal supplies	There are leather goods, suitcases, ornaments, toys and stationery.
Trendy underwear and socks	There are high-quality underwear and socks from domestic and international suppliers, such as underwear for young ladies and socks for men and women.

Poya International is the ending channel of non-specialized retailer. The products sold by Poya International are purchased from the suppliers such as the manufacturers, distributors or trading firms. As such, there is no production process.

C. Supply of raw materials:

The products sold by Poya International are purchased from the manufacturers, distributors or trading firms. Given the increasing store number and growing operating sales, Poya International has enhanced the advantages by decentralized procurement with price negotiation among various suppliers, leading to competitive purchase cost with stable supply of merchandises.

D. Information on major clients/suppliers who have accounted for at least 10% of sales/procurement in either of the past two years:

Poya International is a non-specialized retailer. There were no customers in any of the previous two years with purchase (sales) amount exceeding 10% of the total purchase (sales). Therefore, no disclosure is necessary.

E. Production over the past two years:

Poya International is a non-specialized retailer and does not manufacture any of the products it carries. Production value and volume are not applicable.

F. Sales over the past two years:

As a non-specialized retailer, it's hard to make a statistical quantitative analysis because of the complicated product categories and the inconsistent unit of product quantity. The sales by several product categories are shown in the table below:

Currency unit: NT\$ 1,000

Sales Major products	Year	FY2022				FY2023			
		Domestic sales		Exports		Domestic sales		Exports	
		Amount	%	Amount	%	Amount	%	Amount	%
Trendy skin care and cosmetic products		7,608,297	39.07	-	-	8,816,353	39.93	-	-
Daily necessities		7,064,660	36.27	-	-	8,052,785	36.47	-	-
Delicate and personal supplies		3,066,186	15.74	-	-	3,198,185	14.49	-	-
Trendy underwear and socks		1,737,026	8.92	-	-	2,011,372	9.11	-	-
Total		19,476,169	100.00	-	-	22,078,695	100.00	-	-

Note: Poya International has no business unit in overseas market. No export information is available.

III. In the last two years and as of the date of publication of the annual report, the number of employees, average years of service, average age and distribution of education are shown in the table below:

Year		FY 2022	FY2023	As of March 31, 2024
Number of employees	Sales staff	4,194	5,024	5,092
	Management	489	462	458
	Total (Note)	4,683	5,486	5,550
Average age		30.97	30.90	31.51
Average years of service		4.66 years	4.39 years	4.48 years
Education level (as a % of the total)	PhD	0.00%	0.02%	0.02%
	Master's degree	1.67%	1.33%	1.26%
	Bachelor's degree	73.65%	73.11%	72.88%
	High school	23.51%	24.30%	24.58%
	Junior high school or below	1.17%	1.24%	1.26%

Note: The number of employees is the sum of the average number of full time employees and part-time employees as on December 31, 2022 and 2023, respectively.

IV. Information on environmental protection expenditures

Specify the amount of losses and penalty due to environmental pollution in the recent years as of the date of publication of the annual report, if applicable. The responses and the estimated expenditure in the future shall also be disclosed:

In the recent years and as of the date of publication of the annual report, the Company has not suffered any loss or penalty due to environmental pollution. The industry characteristics of the Company is not affected by the RoHS regulations.

V. Labor-Management relations

- (1) The employee welfare, further education, training, retirement and the implementation, the agreement between the labors and the management, and the protection of the rights of the

employees:

- A. The implementation for the agreement between the labors and the management, and the protection of the rights of the employees:
  - a. Focus on the labor-management relations: Poya International holds employment meetings according to “Measures for Employment Meeting” regularly to communicate and solve problems, so that Poya International can make a further coordination between employer and employee, enhance mutual understanding and upgrade the work performance.
  - b. Complaint mechanism: Poya International complies with the provisions of various labor laws and devotes to upgrading employees’ salary, welfare and work environment. The company also offers platforms to make an effective, two-way communications with employees. The opinions from employees could be heard sufficiently.
  - c. Establish the Employee Welfare Committee: Employees can utilize all the welfares planned by Employee Welfare Committee.
- B. Employee welfares:
  - a. Labor insurance, national health insurance and group insurance.
  - b. Employee bonus
  - c. Bonus of operating performance
  - d. Year-end bonus
  - e. Matrimonial gifts
  - f. Subsidy for hospitalization
  - g. Sponsorship for Spring Festival Banquet
  - h. Subsidy for funerals
  - i. Subsidy for employee gathering
  - j. Birthday gift coupon
  - k. Festival gift coupon, such as Mid-Autumn Festival, Dragon Boat Festival and Spring Festival
  - l. Health examination
  - m. Free dormitory for dispatched personnel
- C. Further education and training for the employees:
  - a. Further education and training  
Poya International puts emphasis on the cultivation and training of talents. Through routine trainings and cloud-based Learning Platform, we provide employees with immediate learning and training, so as to improve the ability of employees, and establish an evaluation system complied with the overall operating goals. It enables employees to meet their personal career planning on the premise of achieving the company's operational goals.  
Poya International has an increasing demand on human resources as there are more and more new stores opening in the mid to long-term development plan. As such, Poya International establishes a complete and standardized training system which focuses on the master-apprentice model, and establishes the internal lecturer system to provide complete learning environment and platforms. We hope to assist employees to finish the training in the short period and to well-perform on their work for getting job promotion. It creates win-win situation.
  - b. The training program for internal personnel is described below:
    - (a) OJT training for new employees – the shop manager will give a lecture on the Company’s history, organization and corporate culture in the first stage which helps the employees to get accustomed to the environment quickly. In the second stage, the practice assessment of each site in the store is carried out to ensure the basic operation familiarity of new recruits.
    - (b) Instructor training –learn the correct work teaching methods, and the Company’s operating skills, knowledge and managerial experience will be shared to the new employees in order to helps them get accustomed to the environment quickly and cultivate the managerial personnel at basic level.

- (c) Evaluation of promotion to section manager – Implementing an online assessment and evaluation mechanism, whereby individuals who pass the assessment will be eligible for promotion.
- (d) Business management training – There are two stages: the executive manager will give a lecture on business management; the senior store manager will also be invited to act as internal lecturer to share the experience of store management. It helps to enhance the managerial abilities of the trainees and cultivate deputy store manager
- (e) Evaluation of promotion to deputy store manager – Implementing an online assessment and evaluation mechanism, whereby individuals who pass the assessment will be eligible for promotion.
- (f) Practical training for store manager candidates – Arrange shop managers from Grade-A stores and senior improvement manager as coaches. Through practical operation in the store, the trainees can learn correct management models by benchmark, improve the trainees' report interpretation and problem-solving capability, and cultivate qualified store managers.

The results of the Company's 2023 training are as follows:

Subject	Training hours	Number of classes	Number of Trainees	Total Hours
OJT evaluation	7	12	1,169	8,183
Assistant store manager assessment	7	12	449	3,143
Section manager assessment	7	12	176	1,232
Total		36	1,794	12,558

Subject	Lesson	Number of Trainees	Number of Trainees*hours	Total expense
Basic training	12	1,169	8,183	NT\$639,847
Supervisor evaluation	24	625	4,375	

#### D. Retirement system and the implementation:

Poya International adopts the old systems of retirement to formulate The Labor Retirement Regulation in accordance with the relevant provisions of the Labor Standards Act. After the actuarial estimation, 2.5% of the total monthly salaries will be allocated as reserve for the pension fund deposited at a designated account at the Bank of Taiwan (previously at Central Trust of China). The calculation of pension payment shall be paid in accordance with the provisions of the Labor Retirement Regulations. Employees who choose and apply for the new retirement system, in accordance with the provisions of the Labor Retirement Regulations, the calculation of monthly pension payment will be 6% of their respective monthly salaries, which allocated to their individual pension accounts.

#### E. Protection of work environment and labor safety

##### (A) Labor insurance and national health insurance

All employees are provided with labor insurance and national health insurance as required by law, and are entitled to insurance benefits in accordance with relevant laws and regulations. For the payment of employees' maternity, injury, sickness, disability, aging and death, etc., the company will also transfer the payment to Labor Insurance Bureau and National Health Insurance Bureau, in accordance with the "Labor Insurance Statute" and the "National Health Insurance Act".

##### (B) Safety and health

Poya International conducts safety and health work in accordance with the relevant laws and regulations, prevent occupational hazards and injuries, and protect the health and safety of the employees.

(C) Health care and management

Poya International holds physical examination for all employees once a year to maintain their physical health.

(D) Maintenance and inspection of various facilities

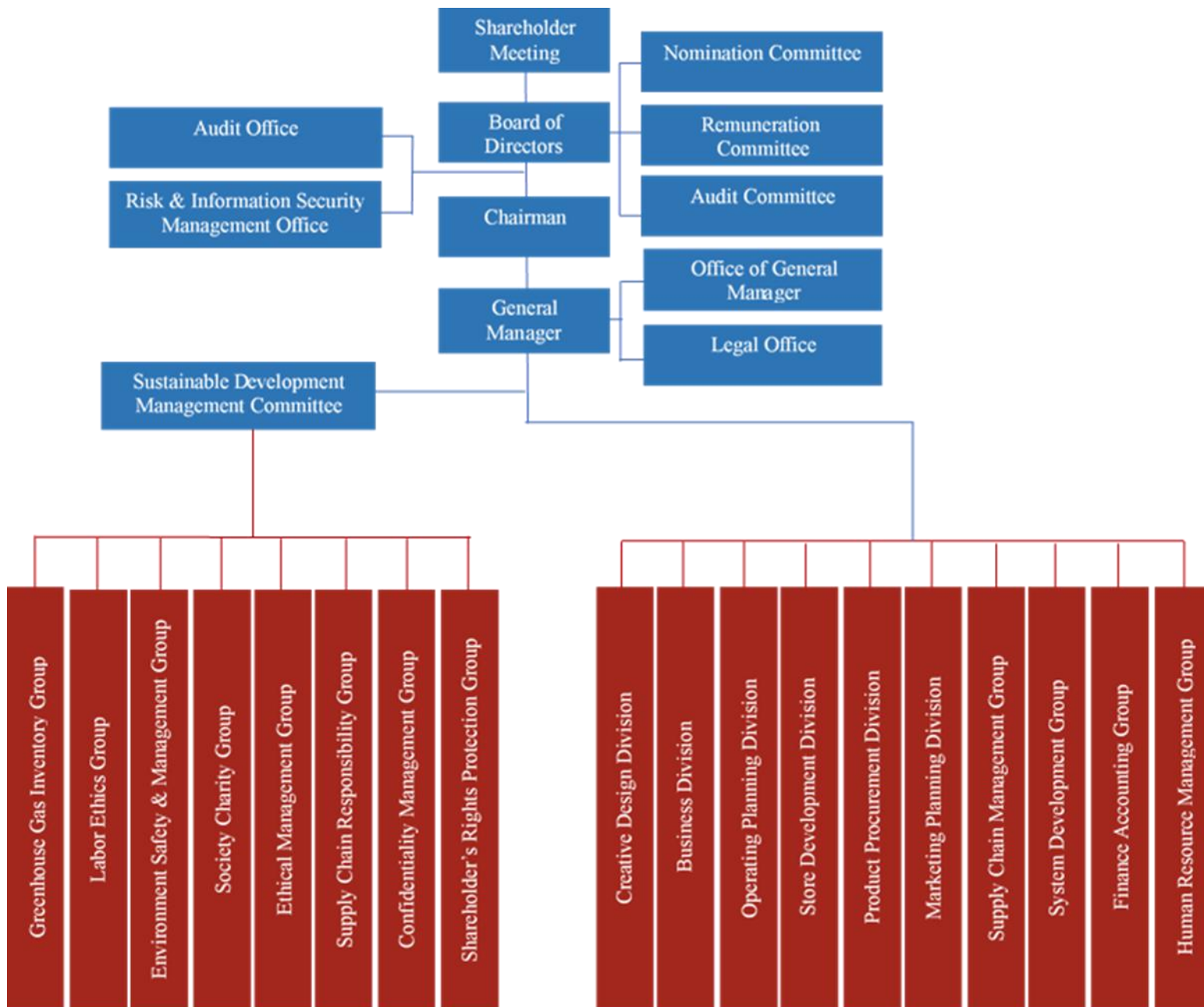
Branches and the corporate headquarter hold fire safety inspections regularly to maintain the perfection and safety of various equipment.

- (2) In the recent years and as of the date of publication of the annual report, disclose the estimate amount of the losses and the responses due to labor dispute in the current period and in the future, if applicable: None.



## VII. Cyber Security Management

### A. Cyber security management strategy and structure



In order to ensure the Company's information security, the company formulates relevant rules and regulations, applies technology and data security standards, and incorporates them into the management and operation system to ensure privacy protection and information security maintenance when employees, suppliers and customers conduct business contacts.

#### 1. Cyber security management structure

In July 2021, Poya established Risk and Information Security Management Team, with the general manager as the convener. This team is a cross-departmental team responsible for reviewing the governance, planning, supervision and implementation of information security policies of each business unit in order to build up information security defense capabilities and information security awareness among employees, and to report the implementation situation to the Board of Directors on a regular basis every year.

#### 2. Cyber security management policy

- (1) Information security governance: formulate the Company's information security management system, strengthen education training and information security infrastructure design and protection technology. Ensure the system availability of information, authority management and access control, and resist external threats.

- (2) Compliance with laws and regulations: establish a compliance mechanism, regularly review and revise relevant operating practice to comply with information security standards.

(3) Specific management measures

Category	Related measures
System available	<ol style="list-style-type: none"> <li>1. Monitoring system/network availability status</li> <li>2. Data off-site backup to ensure complete information can be restored</li> <li>3. Regular disaster recovery drills</li> </ol>
External threat	<ol style="list-style-type: none"> <li>1. Detect virus and malicious program attacks to prevent information damage</li> <li>2. Host computer weakness detection and update measures</li> <li>3. Antivirus software</li> <li>4. Email filtering mechanism</li> <li>5. Intrusion detection and prevention mechanism</li> <li>6. Application firewall</li> <li>7. Advanced persistent threat defense mechanism</li> <li>8. Information security threat detection and management mechanism</li> </ol>
Authority management	<ol style="list-style-type: none"> <li>1. Personnel account authority management and review</li> <li>2. Regular inventory of personnel account permissions</li> <li>3. Access rights Management for important computer facilities</li> </ol>
Access control	<ol style="list-style-type: none"> <li>1. Access control for information</li> <li>2. Operational behavior track record</li> <li>3. File encryption mechanism</li> <li>4. Regularly conduct internal and external audits, and rent a telecommunications backbone network computer facilities that has passed ISO 27001 information security verification to ensure the availability of servers and network services</li> <li>5. Network firewall</li> </ol>
Education training	<ol style="list-style-type: none"> <li>1. Propaganda: require employees to change passwords regularly to maintain account security</li> <li>2. Lectures: irregularly implement information security-related education training courses for internal employees</li> </ol>

3. Resources invested in security management

The company has an information security chief and three information security personnel, who are subordinate to the information department. They carry out information security tasks on a project basis, and arrange education training to require relevant personnel to obtain information security certificates. The Risk and Information Security Management Team reports the information security policy governance, planning, supervision and implementation of each business unit to the board of directors once a year.

B. Information security risks and management measures

Poya has established comprehensive network and computer-related information security management measures. However, with the changes in technology, information security risks are also increasing. In response to changes in the attack pattern of information security threats, the target of the attack is transferred to the user. Therefore, in the future, Poya will introduce "zero trust architecture", improve the "visibility" of risks, and strengthen the "internal horizontal access control".

In terms of hardware, the server equipment in the IDC (Internet Data Center) server room with terminated hardware life cycle is replaced to avoid hardware failure that cannot be

repaired immediately, which results in information service system abnormalities affecting operations. In addition, we have established an off-site backup mechanism for the IDC (Internet Data Center) server room to enhance data security protection and information service availability and reduce the risk of operational disruption. Poya transfers services that need to be open to the Internet to the cloud, and improve the resilience of information services against attacks through the cloud's highly elastic load mechanism and Taiwan's local CDN caching mechanism.

To ensure that information security risks are controlled, the Company regularly conducts two internal audits and one external audit each year, and conducts annual Business Continuity Planning (BCP) exercises for key business items. To achieve an effective PDCA cycle for information security control, we have employed ISO 27001 Lead Auditor to conduct information security risk assessment and control.

Poya has implemented SOC monitoring services (Security Operation Center) and managed detection and response (MDR) mechanisms since February 2024, along with incorporating social engineering drills to enhance employees' cybersecurity awareness.

### C. Significant Information Security Incidents

There were no cyber security incident affecting or interrupting business operations in FY2023.

## VIII. Important Contracts

Contract Type	Contracting Party	Term of Agreement	Summary	Clauses
Lease Agreement on Housing	A001~A0395 A6001~A6042	2009.06.08-2043.02.07	Average monthly rental of NT\$407,000	No
Loan Agreement	Hua Nan Commercial Bank	2021.05.13-2024.05.13	Draw down of NT\$340 million	No
Loan Agreement	Hua Nan Commercial Bank	2021.08.10-2024.08.10	Draw down of NT\$100 million	No
Loan Agreement	Hua Nan Commercial Bank	2021.10.27-2024.10.27	Draw down of NT\$300 million	No
Loan Agreement	Hua Nan Commercial Bank	2021.12.27-2024.12.27	Draw down of NT\$100 million	No
Loan Agreement	Hua Nan Commercial Bank	2022.05.26-2025.05.26	Draw down of NT\$720 million	No
Loan Agreement	Hua Nan Commercial Bank	2023.01.12-2026.01.12	Draw down of NT\$200 million	No
Loan Agreement	Hua Nan Commercial Bank	2023.04.27-2026.04.27	Draw down of NT\$300 million	No
Loan Agreement	Hua Nan Commercial Bank	2023.05.24-2026.05.24	Draw down of NT\$200 million	No
Loan Agreement	Hua Nan Commercial Bank	2023.08.14-2026.08.14	Draw down of NT\$350 million	No
Loan Agreement	KGI Commercial Bank	2021.09.30-2024.09.30	Draw down of NT\$200 million	No
Loan Agreement	E.Sun Commercial Bank	2023.08.11-2026.08.11	Draw down of NT\$350 million	No

Loan Agreement	Chang Hwa Bank	2021.07.07-2024.07.07	Draw down of NT\$100 million	No
Loan Agreement	First Commercial Bank	2021.05.18-2024.05.18	Draw down of NT\$200 million	No
Loan Agreement	Far Eastern International Bank	2021.06.16-2024.06.16	Draw down of NT\$500 million	No
Loan Agreement	Entie Commercial Bank, Ltd.	2021.05.18-2024.05.18	Draw down of NT\$500 million	No
Loan Agreement	Yuanta Commercial Bank Co., Ltd.	2023.08.14-2026.08.14	Draw down of NT\$300 million	No
Loan Agreement	Taipei Fubon Commercial Bank Co., Ltd.	2022.01.03-2025.01.03	Draw down of NT\$100 million	No
Loan Agreement	Taipei Fubon Commercial Bank Co., Ltd.	2022.02.08-2025.01.03	Draw down of NT\$200 million	No

## Financial Information

### Financial Information

I. Condensed balance sheets and comprehensive income statements in the last five years

A. Condensed balance sheet and comprehensive income statement

1. Condensed balance sheet - IFRS

Currency unit: NT\$ 1,000

Year		Financial information from January 1 <sup>st</sup> 2019 to March 31 <sup>st</sup> 2024					Financial information As of March 31, 2024
		2019	2020	2021	2022	2023	
Item							
Current assets		5,636,729	6,827,192	8,398,809	8,884,387	8,831,740	(Note 1)
Property, Plants and Equipment		2,948,424	3,378,801	3,516,508	3,339,404	3,688,219	
Right-of-Use Asset		10,630,411	12,529,061	12,624,534	11,657,493	12,596,611	
Intangible assets		-	-	-	-	-	
Other assets		421,085	442,038	470,380	504,353	593,941	
Total assets		19,636,649	23,177,092	25,010,231	24,385,637	25,710,511	
Current liabilities	Before Distribution	4,853,473	6,034,486	6,760,710	7,332,855	7,498,742	
	After Distribution (Note2)	6,523,887	7,861,196	7,870,164	9,775,006	9,672,094	
Non-current liabilities		10,392,142	12,314,654	13,265,769	10,982,337	11,897,485	
Total liabilities	Before Distribution	15,245,615	18,349,140	20,026,479	18,315,192	19,396,227	
	After Distribution (Note2)	16,916,029	20,175,850	21,135,933	20,757,343	21,569,579	
Equity Attributable to Owners of the Parent		-	-	-	-	-	
Capital -Common Stock		976,850	976,850	1,008,595	1,021,820	1,034,930	
Capital surplus		640,419	640,419	777,480	896,641	1,058,249	
Retained earnings	Before Distribution	2,773,765	3,210,683	3,197,677	4,151,984	4,221,105	
	After Distribution (Note2)	1,103,351	1,383,973	2,088,223	1,709,833	2,047,753	
Other equities		-	-	-	-	-	
Treasury stocks		-	-	-	-	-	
Non-controlled equities		-	-	-	-	-	
Total equity	Before Distribution	4,391,034	4,827,952	4,983,752	6,070,445	6,314,284	
	After Distribution (Note2)	2,720,620	3,001,242	3,874,298	3,628,294	4,140,932	

Note 1: As of the printing date of the annual report, there are no recent financial statements audited or reviewed by the CPA.

Note 2: The above-mentioned figures after distribution in 2023 were based on the resolution of the Shareholders Meeting on February 26, 2024.

## 2. Condensed comprehensive income statement -IFRS

Currency unit: NT\$ 1,000

Year Item	Financial information from January 1 2019 to March 31 2024					
	2019	2020	2021	2022	2023	Financial information as of March 31, 2024
Operating revenue	15,787,694	17,538,838	17,469,208	19,476,169	22,078,695	(Note 1)
Gross profit	6,824,235	7,572,787	7,663,492	8,406,833	9,737,645	
Operating income	2,429,174	2,650,219	2,323,312	2,645,774	3,193,290	
Non-operating incomes and expenses	(70,443)	(43,986)	(23,449)	(57,934)	(40,766)	
Net Income Before Tax	2,358,731	2,606,233	2,299,863	2,587,840	3,152,524	
Net Income from continuing operations	1,886,727	2,110,123	1,839,743	2,068,075	2,525,392	
Loss incurred from discontinued operation	-	-	-	-	-	
Net Income (loss)	1,886,727	2,110,123	1,839,743	2,068,075	2,525,392	
Other comprehensive income (loss)	(1,931)	(2,791)	3,267	5,772	(3,902)	
Total comprehensive income (loss)	1,884,796	2,107,332	1,843,010	2,073,847	2,521,490	
Net income attributable to owners of parent	-	-	-	-	-	
Net income attributable to non-controlling interests	-	-	-	-	-	
Total comprehensive income attributable to owners of parent	-	-	-	-	-	
Total comprehensive income attributable to non-controlled interests	-	-	-	-	-	
EPS	19.31	20.97	18.07	20.06	24.41	

Note 1: As of the printing date of the annual report, there are no recent financial statements audited or reviewed by the CPA.

**B. Names and opinions of external auditors over the past five years**

Year	Auditing Firm	Auditor Names	Audit Opinions
2019	PriceWaterhouse Coopers	Liu Tzu-Meng Lin Tzu-Yu	Unqualified
2020	PriceWaterhouse Coopers	Liu Tzu-Meng Lin Tzu-Yu	Unqualified
2021	PriceWaterhouse Coopers	Lin Yung-Chih Lin Tzu-Yu	Unqualified
2022	PriceWaterhouse Coopers	Lin Yung-Chih Lin Tzu-Yu	Unqualified
2023	PriceWaterhouse Coopers	Lin Yung-Chih Lin Tzu-Yu	Unqualified

## II. Financial analyses over the past five years

### A. Financial analysis – IFRS

<div> <div></div> <div>Year</div> <div>Title</div> </div>		Financial analyses for the most recent five years					
		2019	2020	2021	2022	2023	Financial information As of March 31, 2024
Financial structure	Debt to assets ratio (%) (Note 3)	77.64	79.17	80.07	75.11	75.44	(note 1)
	Long-term capital to property, plants, and equipment ratio (%)	183.24	178.85	204.02	209.12	196.04	
Liquidity	Current ratio (%) (Note 3)	116.14	113.14	124.23	121.16	117.78	
	Quick ratio (%) (Note 3)	44.04	44.94	57.91	52.47	46.18	
	Interest Coverage (Note 3)	21.84	20.76	16.01	17.10	19.96	
Operating Performance	A/R turnover (times) (Note 2)	-	-	-	-	-	
	Average Collection Days (Note 2)	-	-	-	-	-	
	Inventory turnover (times)	2.75	2.64	2.31	2.36	2.40	
	A/P turnover (time)	4.52	4.42	3.87	3.78	3.89	
	Average Inventory Turnover Days	132.72	138.25	158.00	154.66	152.08	
	Property, plants, and equipment turnover (times)	5.49	5.54	5.07	5.68	6.28	
	Total asset turnover (times) (Note 3)	1.12	0.82	0.73	0.79	0.88	
Profitability	ROA (%) (Note 3)	14.03	10.35	8.14	8.89	10.61	
	ROE (%)	44.60	45.78	37.50	37.42	40.78	
	Ratio of pre-tax profit to paid-in capital (%)	241.46	266.80	228.03	253.26	304.61	
	Net profit margin (%)	11.95	12.03	10.53	10.62	11.44	
	EPS (NT\$) (Note 4)	19.31	20.97	18.07	20.06	24.41	
Cash flow	Cash flow ratio (%) (Note 3)	69.93	62.49	58.53	62.61	64.07	
	Cash flow adequacy ratio (%)	87.83	98.17	110.02	131.87	137.91	
	Cash flow reinvestment ratio (%)	11.31	11.06	10.47	18.07	11.53	
Leverage	Operation leverage	2.65	2.69	3.09	2.97	2.83	
	Financial leverage	1.05	1.05	1.07	1.06	1.05	

Please explain the reasons for change of each financial ratio over the past two years: (changes less than  $\pm 20\%$  are not required for further analysis)

1. Increase in ratio of pre-tax profit to paid-in capital: mainly due to the increase in pre-tax profit in 2023.



Note 1: As of the printing date of the annual report, there are no recent financial statements audited or reviewed by the CPA.

Note 2: Not applicable, as Poya International is in a retailing business.

Note 3: The calculation of the above financial ratios (under IFRS) are shown below:

- (1) Financial structure
  - (A) Debt to assets ratio = total liabilities/total assets
  - (B) Long-term capital to real property, plants, and equipment ratio = (total equity + non-current liabilities)/net property, plants, and equipment
- (2) Liquidity
  - (A) Current ratio = current assets/ current liabilities
  - (B) Quick ratio = (current assets – inventory – pre expenses) / current liabilities
  - (C) Interest coverage = EBIT/interest expenses
- (3) Operating performance
  - (A) Average A/R turnover (including account receivables and note receivables arising from business operation ) = net sales/ Average A/R (including account receivables and note receivables arising from business operation)
  - (B) Average collection days = 365 days/ Average A/R turnover
  - (C) Inventory turnover = cost of goods sold / average inventory
  - (D) A/P turnover (including account payables and note payables arising from business operations) = cost of goods sold/ average payable balance (including account payables and note payables arising from business operation).
  - (E) Average inventory turnover days = 365 days/ inventory turnover ratio
  - (F) Property, plants, and equipment turnover = net sales/net property, plants, and equipment.
  - (G) Total assets turnover = net sales/ average total assets.
- (4) Profitability
  - (A) ROA = [net income + interest expense x (1- effective tax rate)] / average total assets.
  - (B) ROE = net income /average total equity
  - (C) Net profit margin = net income / net sales
  - (D) EPS = (net income attributable to owners of the parent – preferred stock dividends)/ weighted average number of shares outstanding
- (5) Cash flow
  - (A) Cash flow ratio = net cash flow from operation activities / current liabilities
  - (B) Cash flow adequacy ratio = five year sum of net cash flow from operation activities / five year sum of (capital expenditures + increase in inventory + cash dividends)
  - (C) Cash flow reinvestment ratio = (net cash flow from operation activities– cash dividends) /gross property, plants, and equipment + long-term investment + other non-current assets + working capital)
- (6) Leverage:
  - (A) Operation leverage = (net sales – variable operating and expenses) /operating profit

(B) Financial leverage = operating profit / (operation profit – interest expenses)

Note 4: Attention to the following items is advised in assessing the equation for the calculation of earnings per share:

- (1) Based on the weighted average quantity of outstanding common shares in current year.
- (2) For new share issue through capitalization of retained earnings and capital surplus, adjustment in proportion of the amount of capital raised shall be made in the calculation of the annual or semi-annual earnings per share of the previous year.

### III. Audit Committee's Review Report on Financial Statement of Last Fiscal Year

#### **POYA International Co., Ltd.**

#### **Audit Committee's Review Report**

The Board of Directors have passed the business report, financial statements, and profit distribution proposal for the year 2023, among which the financial statements have been audited and reviewed by Lin Yung-Chih and Lin Tzu-Yu, who are both certified accountants from the accounting firm of PwC Taiwan, and they have issued an audit report. The above mentioned business report, financial statements, and profit distribution proposal were reviewed by the Audit Committee and considered that there was no discrepancy. The above mentioned reports are presented as required by Securities and Exchange Act and Company Act, for further inspection.

2024 Regular Shareholders' Meeting

POYA International Co., Ltd.

Convener of Audit Committee: Li-Ming Hsien

February 26<sup>th</sup>, 2024

IV. The most recent annual financial report:

Please refer to Page 138~212. Poya International does not have any subsidiary and no consolidated financial statement is necessary. Only the financial statement on the Company itself is required.

V. The audited financial report for the most recent fiscal year:

None

VI. Any cash flow difficulties with the Company and the affiliates during the most recent year and as of publication of the annual report, and the effect on the financial position: None.

# Financial Status, Financial Performance and Risk

## Management

### Financial Status, Financial Performance and Risk Management

#### I. Financial Position

##### Comparison of financial position

Currency unit: NT\$ 1,000

Item \ Year	FY2023	FY2022	Variance	
			Difference	%
Current assets	8,831,740	8,884,387	(52,647)	(0.59%)
Property, plants and equipment	3,688,219	3,339,404	348,815	10.45%
Right-of-use assets	12,596,611	11,657,493	939,118	8.06%
Other assets	593,941	504,353	89,588	17.76%
<b>Total assets</b>	<b>25,710,511</b>	<b>24,385,637</b>	<b>1,324,874</b>	<b>5.43%</b>
Current liabilities	7,498,742	7,332,855	165,887	2.26%
Non-current liabilities	11,897,485	10,982,337	915,148	8.33%
<b>Total liabilities</b>	<b>19,396,227</b>	<b>18,315,192</b>	<b>1,081,035</b>	<b>5.90%</b>
Capital	1,034,930	1,021,820	13,110	1.28%
Capital surplus	1,058,249	896,641	161,608	18.02%
Retained earnings	4,221,105	4,151,984	69,121	1.66%
<b>Total shareholders' equity</b>	<b>6,314,284</b>	<b>6,070,445</b>	<b>243,839</b>	<b>4.02%</b>
1. Reasons for variance (variance less than $\pm 20\%$ is not required for further analysis): None 2. Future strategy: None				

## II. Financial performance

### Comparison of financial performance

Currency unit: NT\$ 1,000

Item	Year	FY2023	FY2022	Difference in amount	Difference in proportion (%)
Revenue		22,078,695	19,476,169	2,602,526	13.36%
Cost of goods sold		(12,341,050)	(11,069,336)	(1,271,714)	11.49%
Gross profit		<b>9,737,645</b>	<b>8,406,833</b>	1,330,812	15.83%
Operating expense		(6,544,355)	(5,761,059)	(783,296)	13.60%
Operating income		<b>3,193,290</b>	<b>2,645,774</b>	547,516	20.69%
Non-operating income and expense		(40,766)	(57,934)	17,168	(29.63%)
EBT		<b>3,152,524</b>	<b>2,587,840</b>	564,684	21.82%
Income tax expense		(627,132)	(519,765)	(107,367)	20.66%
Earnings in current period		<b>2,525,392</b>	<b>2,068,075</b>	457,317	22.11%
<p>1. Explanation of variance over the past two years (variance less than <math>\pm 20\%</math> are not required for further analysis):</p> <p>(A) Operating income: The increase in operating profit was mainly due to the continued expansion of business locations, leading to an increase in operating income.</p> <p>(B) Non-Operating income and expense: The increase in non-operating income was primarily due to an increase in rental income.</p> <p>(C) EBT: The increase in EBT was mainly due to the increase in operating profit.</p> <p>(D) Income tax expense: The increase in income tax expense was primarily due to the growth in current period income.</p> <p>(E) Earnings in current period: The increase in net profit for the period was mainly due to the increase in EBT.</p> <p>2. The forecast of sales over the coming year and the basis of the forecast:</p> <p>Poya will continue to expand our store network and increase our scale. Judging from the economic cycle and our store expansion plan, we see sales on a growth trend in the coming year.</p>					

### III. Cash flow

Analysis of cash flow for the past fiscal year, the improvement plan for insufficient liquidity, and the forecast analysis of cash flow for the coming year.

#### 1. Cash flow analysis for the past fiscal year

Currency unit: NT\$ 1,000

Cash Balance at the Beginning of 2023(1)	Net Cash Inflow from Operating Activities in 2023 (2)	Net Cash Outflows in 2023 (3)	Cash Surplus (Shortage) (1)+(2)-(3)	Remedies for Cash Shortage	
				Investment plan	Financial plan
\$ 2,587,299	4,804,299	5,397,631	1,993,967	-	Bank loans

The analysis:

- A. Operation activities: The net cash inflow from operation activities was approximately NT\$ 4.80 billion, which was primarily due to the increase of the earnings in current period.
- B. Investing activities: The net cash outflow from investing activities was approximately NT\$ 1.09 billion, which was primarily due to the purchases of property, plant and equipment for store remodeling, store expansion, distribution center construction and refundable deposits for new stores in current period.
- C. Financing activities: The net cash outflow from financing activities was approximately NT\$ 4.30 billion, which was primarily due to the distribution of cash dividends in current period and the repayment of the long-term loans.

#### 2. The improvement plan for cash shortfall: Not applicable to Poya.

#### 3. Cash flow analysis for the coming year

Currency unit: NT\$ 1,000

Cash Balance at the Beginning of 2024 (1)	Estimated Yearly Net Cash Inflow from Operating Activities (2)	Estimated Yearly Net Cash Outflow (inflow) (3)	Anticipated Cash Surplus (Shortage) (1)+(2)-(3)	Remedies for Cash Shortage	
				Investment plan	Financial plan
\$ 1,993,967	5,643,209	5,687,563	1,949,613	-	Bank loans

(1)The analysis:

- A. Operation activities: Stable revenue is expected in 2024, which

should bring in net cash inflow.

B. Investing activities: Investing outflows will primarily include the continued store expansion, store remodeling, the estimated purchases of equipment for logistic center, and the payment of refundable deposits.

C. Financing activities: Financing outflows are primarily expected to be cash dividends and the repayment of long-term loans.

(2)The improvement plan for and liquidity analysis of cash shortfall:

Poya International plans to increase the size of long-term loans from banks to sustain its store expansion plan and the purchase of equipment for logistic center which results in additional capital expenditures and the inadequacy of working capital. Loans from banks can help to maintain a safe level of balance for working capital.

#### IV. Major capital expenditures in recent years and their impact

Currency unit: NT\$ 1,000

Project	Actual or Planned Source of Capital	Actual or Planned Date of Project Completion	Total Capital Required	Actual or Planned Capital Expenditures
				FY2023
New store expansion, remodeling of existing stores and investment in logistic center	Working capital and loans	2023.12.31	974,917	974,917
Based on the capital expenditures mentioned above, we opened 42 new stores in 2023.				

V. Reinvestment policy in recent years, the main reason for profits or losses, the improvement plan, and the investment plan for the coming year: None.



## VI. Risk analysis and assessment

1. Impact on Company profits and responses to fluctuations in interest rates, foreign exchange rates, and inflation:

The impact on company profits:

Title	FY2023 (NT\$ 1,000; %)
Net interest income (expense)	-145,555
Net exchange gains/loss	0
Net interest income (expense) to net sales ratio	-0.66%
Net interest income (expense) to EBT ratio	-4.62%
Net exchange gains/loss to net sales ratio	0%
Net exchange gains/loss to EBT ratio	0%

- (1) Changes in interest rates:

As of the end of 2023, Poya International had long-term debt amounting to NT\$2,161,354,000 (including current portion of long-term debts or with maturity in one operation period). There is no significant impact on our profits and losses arising from the debt level. The Company takes responses to keep tracking on the trend of interest rate, and negotiate with various financial institutions actively to keep the company's financing costs at relatively low market interest rates.

- (2) Changes in exchange rates:

Poya International buys and sells in NT dollars, and is not engaged in exports. Imported items accounted for a very small proportion of total sales. In addition, there is no trade agreement involving foreign exchanges. As such, fluctuations in exchange rates have no significant impact on our profits and losses.

- (3) Inflation:

Poya International pays close attention to the fluctuation of market prices, CPI fluctuation and inflation. We identify no significant impact on our operations due to inflation. Poya International spares no effort in expanding the economies of scale to ease the cost inflation due to inflation, and also reduce the impact on operations.

2. Policies regarding engagement in highly risky or highly leveraged investments, loans to others, endorsements, or derivatives trading; reasons for profits or losses from such activities; and proposed response measures:  
Poya International focuses on retail business and is not engaged in high-risk and high-leverage investment, financing a third party, endorsement and guarantee in favor of a third party, and derivative trade. In order to effectively

control related risk and enhance financial operation security, Poya International has established the “Procedures for Lending Funds, Endorsement and Guarantee”, and “Operational Procedures for Acquisition or Disposal of Assets” as required by applicable legal rules of the Securities and Futures Bureau. In addition, the auditing department of Poya International has also established relevant systems for risk management and assessment in accordance with the “Regulations Governing the Establishment of Internal Control System by Public Companies” of the Securities and Futures Bureau.

3. R&D Plans and Projected Investment: The estimated investment in R&D in 2024 was approximately NT\$ 27million.

- (1) In addition to continuing to utilize cloud platforms for the POYA APP and official website, Poya will expand the use of cloud-based AI applications. Leveraging the high scalability and dynamic resource adjustment capabilities of cloud platforms, we aim to reduce hardware investments in servers and enhance our ESG efforts to reduce carbon emissions. It is expected to continue to be used in 2024, and the estimated cost is about NT\$12 million.

R&D plan	Current progress	Further investment	Scheduled launch date	Benefits of the R&D
Cloud Server	In Use	NT\$ 12 million	January 2024	Meeting the dynamic operational load demands through cloud-based versatile application services and scalable resource characteristics.

- (2) Improve information security protection, build " Managed Detection and Response (MDR) endpoint detection software", " Security Operation Center (SOC) monitoring services “and conducting social engineering drills, penetration testing, and other information security defense mechanisms. Enhance endpoint protection and analyze server abnormal status to improve the organization's internal lateral cybersecurity defense capabilities, preventing intrusions, network attacks, and other security breaches. It is estimated that the evaluation and construction will be completed in February 2024, and the estimated cost is about NT\$3million.

R&D plan	Current	Further	Scheduled	Benefits of R&D
----------	---------	---------	-----------	-----------------

	progress	investment	launch date	
Internal Network Information security protection	Under Assessment	NT\$ 3 million	February 2024	To enhance internal network and server information security protection mechanism.

- (3) Improve information security protection, replace the information backup system to enhance the integrity and availability of information data, ensuring that backup data is available to maintain normal operations in the event of cybersecurity threats. It is estimated that the evaluation and construction will be completed in May 2024, and the estimated cost is about NT\$ 6 million.

R&D plan	Current progress	Further investment	Scheduled launch date	Benefits of R&D
Data backup system	Under Assessment	NT\$ 6 million	May 2024	To enhancing the integrity and availability of information data

- (4) Implement electronic tags and self-checkout systems to automate processes, enhance consumer service, and improve customer experience, thereby reducing the workload on employees. It is estimated that the evaluation and construction will be completed in October 2024, and the estimated cost is about NT\$ 6 million.

R&D plan	Current progress	Further investment	Scheduled launch date	Benefits of R&D
Operational automation processes.	Under Assessment	NT\$ 6 million	October 2024	Improve consumer service and customer experience

4. Financial impacts and implementations of and responses to major changes to domestic and overseas laws and government policies:
- (1) Financial impacts of and responses to major changes to domestic and overseas laws and government policies:
- (A) To strengthen the promotion of corporate governance, Financial Supervisory Commission has mapped out "Corporate Governance 3.0 - Sustainable Development Blueprint". The five principal action

plans include strengthen duties and functions of boards to enhance the sustainable value of enterprises, enhance information transparency and promote sustainable operations, strengthen communication with stakeholders and create effective interaction channels, encourage stewardship and align with international norms, and deepen a corporate culture of sustainable governance and provide diversified products. Poya International will strengthen corporate governance in line with the requirement of Financial Supervisory Commission.

- (B) According to the specific measures of "Corporate Governance 3.0 - Sustainable Development Blueprint", in order to strengthen the disclosure of non-financial information of listed companies and expand the scope of listed companies that should prepare and file Sustainability reports, companies with paid-in capital of more than NT\$2 billion and less than NT\$5 billion are required to compulsorily prepare and file Sustainability reports starting from 2023. Although the Company is not mandatorily required to prepare a Sustainability report, in order to implement the Company's corporate governance policy and to enhance communication with stakeholders, Poya International voluntarily uploaded the 2022 Sustainability report to MOPS and official website in August 21 2023.
  - (C) According to the "Sustainable Development Roadmap", the company has set up a greenhouse gas inspection team, and the board of directors supervises the promotion of sustainable development, and sets a schedule for the disclosure of greenhouse gas inspections, and submits to the board of directors for quarterly control.
  - (D) The Financial Supervisory Commission issued an executive order to comprehensively require TWSE/GTSM-Listed companies to set up independent directors and to set up audit committees in stages. The establishment of independent directors and audit committees has the effect of strengthening shareholders' rights and interests, improving the company's operation, and improving the efficiency of corporate governance. In order to implement the company's corporate governance policy and strengthen the information transparency and supervision mechanism, Poya International has voluntarily established audit commission since 2014.
- A. The responses: Poya International has appointed the designated personnel

to pay close attention to any change in applicable legal rules and information released by the government, and submit the information to the management and related personnel timely.

5. Financial impacts of and responses to technological and industry changes (includes information security risk):

Poya International pays close attention to the development of consumer related technologies like e-commerce, telecommunications, and consumer financing. With the expanding scale and operations, product management has become essential. The use of information system for quick access to sales information can effectively help to control the purchase of merchandises, achieve the minimum inventory management without losing any sales opportunity. We adopt the use of information technology to strengthen real-time supply of products and services, which are vital for development in competition. As such, we identify technological change causes no significant influence on the financial position of the Company.

6. Impacts of changes in corporate image on corporate crisis management and related response measures:

In addition to emphasis on its core business operations, Poya International spares no effort on performing its corporate social responsibility and social charity in the long run. Please refer to the Company's Sustainability report (corporate social responsibility reports) of each year for further information. Poya International has also established relevant rules and regulations for the prevention of disasters like typhoon, fire, and earthquake with proper education and training. These efforts help to minimize the damage caused by disasters. As of the date of publication of the annual report, there is no event that caused damage to the corporate image of the Company.

7. Anticipated benefits, risks of M&A activity and appropriate responses: None.

8. Anticipated benefits, risks of factory expansion and appropriate responses: None.

9. Anticipated risks of concentrating purchasing and distribution and appropriate responses:

Poya International is a retailer and there is no concentration of sales. There is also no single supplier that accounted for more than 10% of the total purchase

made by the Company. This is because that the Company seeks to diversify its sources of merchandise supply with purchase and sales in great variety of products. As such, there is no risk deriving from the concentration of purchase or sales.

10. Possible effects and risks caused by large transfers or changing hands of shares by directors, supervisors, or major shareholders who hold an over 10% stake in the Company and proposed responses: None.
11. Possible benefits and risks to the Company due to a change in operating rights and proposed responses: None.
12. All major litigation, non-litigation disputes, and administrative disputes that involve the Company's directors, supervisors, president, responsible parties, major shareholders with over 10% stake, or affiliated enterprises should be disclosed as long as the outcome may have a significant impact on shareholder equity or share prices, whether said dispute has been settled or is still pending. The disclosure should include the factual matters of the dispute, underlying monetary values, date actions commenced, the main parties involved, and response measures taken as of the annual report publication date: None.
13. Other major risks and proposed responses: None.

VII. Other important items: None.

## Specific Notes

---

### Specific Notes

- I. Information on the affiliates
  1. Consolidated business report: None.
  2. Consolidated financial statement: None.
  3. Report on affiliates: None.
- II. In the recent years and as of the date of publication of the annual report, any private placement of securities: None.
- III. In the recent years and as of the date of publication of the annual report, any securities acquired, disposed of, or held by the Company: None.
- IV. Other supplementary information required: None.
- V. In the recent years and as of the date of publication of the annual report, any event that have had major impacts on shareholders' equity or share price of the Company as stated in Article 36- III- (II) of the Securities and Exchange Act: None.

## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of POYA International Co., Ltd.

### **Opinion**

We have audited the accompanying balance sheets of POYA International Co., Ltd. (the "Company") as at December 31, 2023 and 2022, and the related statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

### **Basis for opinion**

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is



sufficient and appropriate to provide a basis for our opinion.

## **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2023 financial statements. These matters were addressed in the context of our audit of the financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2023 financial statements are stated as follows:

### **Completeness and accuracy of franchising retail sales revenue**

#### Description

Refer to Note 4(18), "Revenue recognition" for accounting policies on retail franchising.

In retail franchising, merchandise information such as name, cost, retail price, price changes and annual sales discount is first established. The point of sales system (henceforth POS) is used to run the merchandise information automatically. Each store gathers sales transactions by the end of the day. The system will aggregate all the information of transactions and then upload to ERP system to generate sales revenue journal entries. In addition, each store has to file cash report daily including cash, gift vouchers, credit cards, and electronic payment devices and reconcile with system data. Cash collections are deposited with the banks periodically.

Due to numerous transactions with small amount, retail franchising highly relies on POS and ERP system to generate reliable and accurate data. Thus, we identified the completeness and accuracy of retail franchising sales revenue as a key audit matter.

#### How our audit addressed the matter

Our procedures in relation to the above key audit matter included:

1. Checking randomly whether the merchandise information has been properly approved and relevant evidence was attached whenever the merchandise information is created or changed;

2. Checking randomly whether the merchandise information has been transferred to POS system;
3. Checking randomly whether all the sales that were recorded in the POS are periodically transferred to ERP system and recorded in operating revenue journal entry automatically;
4. Reviewing the reasons and the relevant evidences for manual adjusting journal entries that are related to retail franchising sales revenue; and
5. Reviewing whether stores' cash deposits amounts recorded on the daily cash report are in accordance with bank remittance amounts.

#### **Calculation of cost to retail ratio of retail inventory method**

##### Description

Refer to Note 4(6) for accounting policies on inventory and Note 6(3) "Inventory" for related information on inventory and cost of sales.

Due to various kinds of merchandise, retail inventory method is used to estimate cost of inventory and cost of goods sold which are both calculated using the rate of cost of goods purchased to retail value of goods purchased (known as cost to retail ratio). The calculation of cost to retail ratio is generated automatically by the ERP system and highly relies on the goods purchased both at cost and retail price.

Thus, we identified the accuracy and reliability of calculation of cost to retail ratio of retail inventory method as a key audit matter.

##### How our audit addressed the matter

Our procedures in relation to the above key audit matter included:

1. Conducting interviews with management to obtain an understanding of the calculation of cost to retail ratio in the calculation system of retail inventory method and determining whether it has been consistently applied in the

comparative periods of financial statements;

2. Checking randomly whether the merchandise information has been properly approved and relevant evidence was attached whenever the merchandise information is created or changed;
3. Confirming whether the records of cost of inventory purchased in POS are transferred to ERP periodically and completely and the records could not be changed manually; and
4. Checking the computation for the correctness of cost to retail ratio.

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

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

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

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

## **Auditors' responsibilities for the audit of the financial statements**

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

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

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

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Lin, Tzu-Shu

Independent Accountants

Lin, Yung-Chih

PricewaterhouseCoopers, Taiwan

Republic of China

February 26, 2024

---

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

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

POYA INTERNATIONAL CO., LTD.  
BALANCE SHEETS  
(Expressed in thousands of New Taiwan dollars)

Assets			December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,993,967	8	\$ 2,587,299	11
1150	Notes receivable, net	6(2)	32,871	-	4,403	-
1170	Accounts receivable, net	6(2)	1,414,451	5	1,243,335	5
1197	Finance lease receivable, net	6(7)	4,865	-	-	-
1200	Other receivables		8,584	-	4,437	-
130X	Inventories	6(3)	5,328,446	21	4,975,241	20
1410	Prepayments	6(4)	40,269	-	61,385	-
1476	Other current financial assets	8	8,287	-	8,287	-
11XX	Total current assets		8,831,740	34	8,884,387	36
Non-current assets						
1600	Property, plant and equipment, net	6(5)	3,688,219	15	3,339,404	14
1755	Right-of-use assets	6(6) and 7	12,596,611	49	11,657,493	48
1840	Deferred income tax assets	6(21)	32,689	-	31,275	-
1920	Refundable deposits	6(6)	468,215	2	439,131	2
194D	Long-term finance lease receivable, net	6(7)	59,404	-	-	-
1975	Net defined benefit asset-non-current	6(10)	5,836	-	8,129	-
1980	Other non-current financial assets	8	11,000	-	11,000	-
1990	Other non-current assets		16,797	-	14,818	-
15XX	Total non-current assets		16,878,771	66	15,501,250	64
1XXX	Total assets		\$ 25,710,511	100	\$ 24,385,637	100

(Continued)

POYA INTERNATIONAL CO., LTD.  
BALANCE SHEETS  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2130	Current contract liabilities	6(14)	\$ 90,930	-	\$ 98,024	-
2150	Notes payable		95,566	-	45,172	-
2170	Accounts payable		3,033,838	12	3,175,489	13
2200	Other payables	6(8)	928,210	4	755,409	3
2230	Current income tax liabilities	6(21)	367,227	1	296,010	1
2280	Current lease liabilities	6(6) and 7	1,737,662	7	1,609,821	7
2310	Receipts in advance		100	-	100	-
2320	Long-term liabilities, current portion	6(9)	1,245,209	5	1,352,830	6
21XX	Total current liabilities		7,498,742	29	7,332,855	30
Non-current liabilities						
2540	Long-term borrowings	6(9)	916,145	4	913,048	4
2570	Deferred income tax liabilities	6(21)	6,378	-	5,861	-
2580	Non-current lease liabilities	6(6) and 7	10,917,519	42	10,043,427	41
2645	Guarantee deposits received		57,443	-	20,001	-
25XX	Total non-current liabilities		11,897,485	46	10,982,337	45
2XXX	Total liabilities		19,396,227	75	18,315,192	75
Equity						
	Share capital	6(11)(13)(20)				
3110	Common stock		1,034,930	4	1,021,820	4
3200	Capital surplus	6(11)(12)	1,058,249	4	896,641	4
	Retained earnings	6(11)(13)				
3310	Legal reserve		1,671,810	7	1,464,426	6
3350	Unappropriated retained earnings		2,549,295	10	2,687,558	11
3XXX	Total equity		6,314,284	25	6,070,445	25
	Significant Contingent Liabilities and	9				
	Unrecognized Contract Commitments					
3X2X	Total liabilities and equity		\$ 25,710,511	100	\$ 24,385,637	100

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



POYA INTERNATIONAL CO., LTD.  
STATEMENTS OF COMPREHENSIVE INCOME

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

		Year ended December 31			
		2023		2022	
Items	Notes	AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(14)	\$ 22,078,695	100	\$ 19,476,169	100
5000 Operating costs	6(3)(10)(19)(20)	( 12,341,050)	( 56)	( 11,069,336)	( 57)
5900 Net operating margin		<u>9,737,645</u>	<u>44</u>	<u>8,406,833</u>	<u>43</u>
Operating expenses	6(10)(19)(20) and 7				
6100 Selling expenses		( 5,846,780)	( 27)	( 5,115,688)	( 26)
6200 General and administrative expenses		( 697,575)	( 3)	( 645,371)	( 4)
6000 Total operating expenses		( 6,544,355)	( 30)	( 5,761,059)	( 30)
6900 Operating profit		<u>3,193,290</u>	<u>14</u>	<u>2,645,774</u>	<u>13</u>
Non-operating income and expenses					
7100 Interest income	6(15)	20,722	-	6,836	-
7010 Other income	6(7)(16)	114,783	1	94,201	1
7020 Other gains and losses	6(6)(17)	( 9,994)	-	1,785	-
7050 Finance costs	6(5)(6)(18) and 7	( 166,277)	( 1)	( 160,756)	( 1)
7000 Total non-operating income and expenses		( 40,766)	-	( 57,934)	-
7900 Profit before income tax		3,152,524	14	2,587,840	13
7950 Income tax expense	6(21)	( 627,132)	( 3)	( 519,765)	( 2)
8200 Net income for the year		<u>\$ 2,525,392</u>	<u>11</u>	<u>\$ 2,068,075</u>	<u>11</u>
Other comprehensive (loss) income					
Components of other comprehensive income that will not be reclassified to profit or loss					
8311 Remeasurement of defined benefit obligation	6(10)	( \$ 4,877)	-	\$ 7,215	-
8349 Income tax relating to the components of other comprehensive income that will not be reclassified to profit or loss	6(21)	<u>975</u>	-	( 1,443)	-
8300 Total other comprehensive (loss) income for the year		( \$ 3,902)	-	\$ 5,772	-
8500 Total comprehensive income for the year		<u>\$ 2,521,490</u>	<u>11</u>	<u>\$ 2,073,847</u>	<u>11</u>
Earnings per share (in dollars)	6(22)				
9750 Basic		\$ 24.41		\$ 20.06	
9850 Diluted		<u>\$ 24.31</u>		<u>\$ 19.97</u>	

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

POYA INTERNATIONAL CO., LTD.  
STATEMENTS OF CHANGES IN EQUITY  
(Expressed in thousands of New Taiwan dollars)

			Capital Surplus	Retained Earnings		
			Additional paid-in capital		Unappropriated retained earnings	
	Notes	Common stock		Legal reserve		Total equity
<u>For the year ended December 31, 2022</u>						
Balance at January 1, 2022		\$1,008,595	\$ 777,480	\$ 1,280,125	\$ 1,917,552	\$ 4,983,752
Net income for the year ended December 31, 2022		-	-	-	2,068,075	2,068,075
Other comprehensive income for the year ended December 31, 2022		-	-	-	5,772	5,772
Total comprehensive income for the year ended December 31, 2022		-	-	-	2,073,847	2,073,847
Distribution of 2021 net income:						
Legal reserve		-	-	184,301	( 184,301 )	-
Cash dividends	6(13)	-	-	-	( 1,109,454 )	( 1,109,454 )
Stock dividends	6(11)(13)	10,086	-	-	( 10,086 )	-
Employees' stock compensation	6(11)(20)	3,139	119,161	-	-	122,300
Balance at December 31, 2022		<u>\$1,021,820</u>	<u>\$ 896,641</u>	<u>\$ 1,464,426</u>	<u>\$ 2,687,558</u>	<u>\$ 6,070,445</u>
<u>For the year ended December 31, 2023</u>						
Balance at January 1, 2023		\$1,021,820	\$ 896,641	\$ 1,464,426	\$ 2,687,558	\$ 6,070,445
Net income for the year ended December 31, 2023		-	-	-	2,525,392	2,525,392
Other comprehensive loss for the year ended December 31, 2023		-	-	-	( 3,902 )	( 3,902 )
Total comprehensive income for the year ended December 31, 2023		-	-	-	2,521,490	2,521,490
Distribution of 2022 net income:						
Legal reserve		-	-	207,384	( 207,384 )	-
Cash dividends	6(7)	-	-	-	( 2,442,151 )	( 2,442,151 )
Stock dividends	6(11)(13)	10,218	-	-	( 10,218 )	-
Employees' stock compensation	6(11)(20)	2,892	161,608	-	-	164,500
Balance at December 31, 2023		<u>\$1,034,930</u>	<u>\$1,058,249</u>	<u>\$ 1,671,810</u>	<u>\$ 2,549,295</u>	<u>\$ 6,314,284</u>

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

POYA INTERNATIONAL CO., LTD.  
STATEMENTS OF CASH FLOWS  
(Expressed in thousands of New Taiwan dollars)

		For the years ended December 31,	
	Notes	2023	2022
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Profit before tax		\$ 3,152,524	\$ 2,587,840
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(5)(6)(19)	2,528,927	2,389,511
Loss on disposal of property, plant and equipment	6(17)	14,121	880
Gain from lease modification	6(6)(17)	( 1,250 )	( 2,665 )
Income from subleasing right-of-use assets	6(17)	( 2,877 )	-
Interest income	6(15)	( 20,722 )	( 6,836 )
Interest expense	6(18)	166,277	160,756
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		( 28,468 )	17,618
Accounts receivable		( 171,116 )	( 224,104 )
Other receivables		( 4,147 )	212
Inventories		( 353,205 )	( 564,576 )
Prepayments		21,116	11,530
Net defined benefit assets-non-current		( 2,584 )	( 914 )
Changes in operating liabilities			
Current contract liabilities		( 7,094 )	28,381
Notes payable		50,394	1,121
Accounts payable		( 141,651 )	584,100
Other payables		305,446	195,719
Receipts in advance		-	( 2 )
Net defined benefit liabilities-non-current		-	( 1,351 )
Cash inflow generated from operations		5,505,691	5,177,220
Interest received		20,722	6,836
Interest paid		( 166,277 )	( 160,756 )
Income tax paid		( 555,837 )	( 432,514 )
Net cash flows from operating activities		4,804,299	4,590,786
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Decrease in finance lease receivables		342	-
Acquisition of property, plant and equipment	6(23)	( 973,742 )	( 471,314 )
Interest paid for acquisition of property, plant and equipment	6(5)(18)(23)	( 1,175 )	( 866 )
Proceeds from disposal of property, plant and equipment		6,560	5,426
Acquisition of right-of-use assets	6(6)	( 93,770 )	( 107,578 )
Increase in refundable deposits		( 29,084 )	( 20,314 )
Increase in other non-current assets		( 1,979 )	( 892 )
Net cash flows used in investing activities		( 1,092,848 )	( 595,538 )
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Proceeds from long-term borrowings	6(24)	1,700,000	1,370,000
Repayment of long-term borrowings	6(24)	( 1,804,524 )	( 2,907,434 )
Repayment of lease principal	6(24)	( 1,795,550 )	( 1,630,372 )
Increase in guarantee deposits received	6(24)	37,442	8,270
Cash dividends paid	6(13)	( 2,442,151 )	( 1,109,454 )
Net cash flows used in financing activities		( 4,304,783 )	( 4,268,990 )
Net decrease in cash and cash equivalents		( 593,332 )	( 273,742 )
Cash and cash equivalents at beginning of year	6(1)	2,587,299	2,861,041
Cash and cash equivalents at end of year	6(1)	\$ 1,993,967	\$ 2,587,299

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

POYA INTERNATIONAL CO., LTD.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

**1. HISTORY AND ORGANIZATION**

(1) POYA International Co., Ltd. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company is primarily engaged in selling fashion accessories, arts and crafts, food, stationery, hardware and a variety of products.

(2) The common shares of the Company have been listed on the Taipei Exchange since September 2002.

**2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION**

These financial statements were authorized for issuance by the Board of Directors on February 26, 2024.

**3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS**

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS<sup>®</sup>”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments as endorsed by the FSC and became effective from 2023 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023
Amendments to IAS 12, ‘International tax reform - pillar two model rules’	May 23, 2023

The above standards and interpretations have no significant impact to the Company’s financial condition and financial performance based on the Company’s assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Company

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024
The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.	

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9-comparative information'	January 1, 2023
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(4) Compliance statement

The financial statements of the Company have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, IFRIC<sup>®</sup> Interpretations, and SIC<sup>®</sup> Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs").

(5) Basis of preparation

A. Except for the following items, these financial statements have been prepared under the historical cost convention:

Defined benefit liabilities are recognized based on the net amount of pension fund assets less

present value of defined benefit obligation.

- B. The preparation of financial statements in conformity with IFRSs requires that use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5, "Critical accounting judgements, estimates and key sources of assumption uncertainty".

(6) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
- a. Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
  - b. Assets held mainly for trading purposes;
  - c. Assets that are expected to be realized within twelve months from the balance sheet date;
  - d. Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
- a. Liabilities that are expected to be paid off within the normal operating cycle;
  - b. Liabilities arising mainly from trading activities;
  - c. Liabilities that are to be paid off within twelve months from the balance sheet date;
  - d. Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(7) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(8) Leasing arrangements (lessor) — lease receivables/ operating leases

- A. Based on the terms of a lease contract, a lease is classified as a finance lease if the lessee assumes substantially all the risks and rewards incidental to ownership of the leased asset.
- (a) At commencement of the lease term, the lessor should record a finance lease in the balance sheet as 'lease receivables' at an amount equal to the gross investment in the lease (including initial direct costs). The difference between gross lease receivable and the present value of the receivable is recognised as 'Unearned finance income of finance lease'.

- (b) The lessor should allocate finance income over the lease term based on a systematic and rational basis reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.
- (c) Lease payments (excluding costs for services) during the lease term are applied against the gross investment in the lease to reduce both the principal and the unearned finance income.
- B. Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(9) Inventories

Inventories are initially recognized at cost and at the end of the year, all inventories are stated at the lower of cost and net realizable value.

(10) Impairment of financial assets

For financial assets measured at amortised cost including accounts receivable and lease receivables that have a significant financing component, at each reporting date, the Company recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Group recognises the impairment provision for lifetime ECLs.

(11) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to receive cash flows from the financial asset expire.

(12) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Property, plant and equipment apply the cost model. Property, plant and equipment are depreciated using the straight-line method to allocate their cost over their estimated useful lives. If each component of property, plant and equipment is significant, it is depreciated separately.

- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

<u>Asset</u>	<u>Useful lives</u>
Transportation equipment	5 years
Office equipment	2~10 years
Leasehold improvements	3~50 years
Other equipment	5~20 years

(13) Leasing arrangements (lessee) — right-of-use assets/ lease liabilities

- A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable.

The Company subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

- C. At the commencement date, the right-of-use asset is stated at cost comprising the following:
- (a) The amount of the initial measurement of lease liability;
  - (b) Any lease payments made at or before the commencement date;
  - (c) Any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

- D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize the difference between remeasured lease liability in profit or loss.



(14) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(15) Notes and accounts payable

- A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(16) Borrowings

- A. Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.
- B. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

(17) Derecognition of financial liabilities

A financial liability is derecognized when the obligation specified in the contract is either discharged or cancelled or expires.

(18) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

B. Pensions

a. Defined contribution plan

For the defined contribution plan, the contributions are recognized as pension expenses when

they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

b. Defined benefit plan

I. The liability recognized in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds (at the balance sheet date).

II. Remeasurement arising on defined benefit plan is recognized in other comprehensive income in the period in which they arise, and presented in retained earnings.

C. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is distributed by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(19) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the

balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

- D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

(20) Dividends

Cash dividends are recorded as liabilities in the Company's financial statements in the period in which they are resolved by the Board of Directors. Stock dividends are recorded as stock dividends to be distributed upon resolution by the Company's shareholders, and are reclassified to ordinary shares on the effective date of new shares issuance.

(21) Revenue recognition

- A. The Company operates a chain of retail stores selling daily supplies. Revenue from the sale of goods is recognized when the Company sells a product to the customer.
- B. Payment of the transaction price is due immediately when the customer purchases the product. It is the Company's policy to sell its products to the end customer with a right of return within a period. Therefore, a refund liability and a right to the returned goods (included in other current assets) are recognized for the products expected to be returned. Accumulated experience is used to estimate such returns using the expected value method. Because the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognized will not occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.
- C. The Company operates a loyalty programme where retail customers accumulate points for purchases made which entitle them to discount on future purchases. The points provide a material right to customers that they would not receive without entering into a contract. Therefore, the promise to provide points to the customer is a separate performance obligation. The transaction price is allocated to the product and the points on a relative stand-alone selling price basis. The stand-alone selling price per point is estimated on the basis of the discount granted when the points are redeemed and on the basis of the likelihood of redemption, based on past experience. The stand-alone selling price of the product sold is estimated on the basis of the retail price. A contract liability is recognized for the transaction price which is allocated to the points and revenue is recognized when the points are redeemed or expire.

#### D. Commission revenue

In accordance with IFRS 15 'Revenue', revenue is recognized when the counters sell its goods. The Company's transactions are not subject to significant risks and rewards associated with the sale of goods or the rendering of service and conform to the definition of an agent. Accordingly, the counter's net revenue is recognized representing commissions earned.

#### (22) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments.

### 5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these financial statements requires management to make critical judgments in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, and the related information is addressed below:

#### (23) Critical judgments in applying the Company's accounting policies

Revenue recognition on a net/gross basis

The Company determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Company is a principal) or to arrange for the other party to provide those goods or services (i.e. the Company is an agent) based on the transaction model and its economic substance. The Company is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Company recognizes revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Company is an agent if its performance obligation is to arrange for the provision of goods or services by another party. The Company recognizes revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Indicators that the Company controls the good or service before it is provided to a customer include the following:

- A. The Company is primarily responsible for the provision of goods or services;
- B. The Company assumes the inventory risk before transferring the specified goods or services to the customer or after transferring control of the goods or services to the customer.
- C. The Company has discretion in establishing prices for the goods or services.

(24) Critical accounting estimates and assumptions

None.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(25) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash:		
Cash on hand	\$ 49,620	\$ 45,629
Checking deposits and demand deposits	1,944,347	2,541,670
	<u>\$ 1,993,967</u>	<u>\$ 2,587,299</u>

A. The Company transacts with a variety of financial institutions all with high credit rankings to diversify credit risk, so it expects that the probability of counterparty default is remote.

B. As of December 31, 2023 and 2022, details of the Company's cash and cash equivalents pledged to others as collateral are provided in Note 8, "Pledged assets".

(26) Notes and accounts receivable, net

	December 31, 2023	December 31, 2022
Notes receivable	\$ 32,871	\$ 4,403
Accounts receivable - sponsorship	\$ 1,223,202	\$ 1,124,548
Accounts receivable - customers	191,249	118,787
	<u>\$ 1,414,451</u>	<u>\$ 1,243,335</u>

A. The Company has no past due accounts receivable as of December 31, 2023 and 2022.

B. As of December 31, 2023 and 2022, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2022, the balance of receivables (including notes receivable) from contracts with customers amounted to \$1,041,252.

C. As of December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Company's notes and accounts receivable was its book value.

D. The Company did not hold any collateral as security as of December 31, 2023 and 2022.

E. Information relating to credit risk of accounts receivable is provided in Note 12(2), "Financial instruments".

(27) Inventories

		December 31, 2023	
	Cost	Allowance for price decline of inventories	Carrying amount
Merchandise	<u>\$ 5,328,446</u>	<u>\$ -</u>	<u>\$ 5,328,446</u>
		December 31, 2022	
	Cost	Allowance for price decline of inventories	Carrying amount
Merchandise	<u>\$ 4,975,241</u>	<u>\$ -</u>	<u>\$ 4,975,241</u>

The cost of inventories recognized as expense for the year:

	For the years ended December 31,	
	2023	2022
Cost of inventories sold	\$ 12,212,561	\$ 10,980,712
Loss on physical inventory	128,489	88,624
	<u>\$ 12,341,050</u>	<u>\$ 11,069,336</u>

(28) Prepayments

	December 31, 2023	December 31, 2022
Overpaid value-added tax	\$ 22,660	\$ 21,087
Other prepaid expenses	17,609	40,298
	<u>\$ 40,269</u>	<u>\$ 61,385</u>

(29) Property, plant and equipment

	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Construction in progress and equipment before acceptance inspection	Total
<u>At January 1, 2023</u>						
Cost	\$ 36,522	\$ 1,174,598	\$ 3,796,109	\$ 543,635	\$ 30,596	\$ 5,581,460
Accumulated depreciation	( 19,010)	( 628,369)	( 1,467,880)	( 126,797)	-	( 2,242,056)
	<u>\$ 17,512</u>	<u>\$ 546,229</u>	<u>\$ 2,328,229</u>	<u>\$ 416,838</u>	<u>\$ 30,596</u>	<u>\$ 3,339,404</u>
<u>For the year ended December 31, 2023</u>						
At January 1	\$ 17,512	\$ 546,229	\$ 2,328,229	\$ 416,838	\$ 30,596	\$ 3,339,404
Additions	-	-	-	-	1,006,772	1,006,772
Transferred after acceptance inspection	11,245	168,276	629,494	100,739	( 909,754)	-
Depreciation	( 7,410)	( 212,492)	( 374,587)	( 42,787)	-	( 637,276)
Disposal-Cost	( 10,364)	( 264,018)	( 300,140)	( 10,717)	-	( 585,239)
-Accumulated depreciation	<u>8,737</u>	<u>250,284</u>	<u>295,698</u>	<u>9,839</u>	<u>-</u>	<u>564,558</u>
At December 31	<u>\$ 19,720</u>	<u>\$ 488,279</u>	<u>\$ 2,578,694</u>	<u>\$ 473,912</u>	<u>\$ 127,614</u>	<u>\$ 3,688,219</u>
<u>At December 31, 2023</u>						
Cost	\$ 37,403	\$ 1,078,856	\$ 4,125,463	\$ 633,657	\$ 127,614	\$ 6,002,993
Accumulated depreciation	( 17,683)	( 590,577)	( 1,546,769)	( 159,745)	-	( 2,314,774)
	<u>\$ 19,720</u>	<u>\$ 488,279</u>	<u>\$ 2,578,694</u>	<u>\$ 473,912</u>	<u>\$ 127,614</u>	<u>\$ 3,688,219</u>

	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Construction in progress and equipment before acceptance inspection	Total
<u>At January 1, 2022</u>						
Cost	\$ 37,943	\$ 1,279,639	\$ 3,762,432	\$ 503,101	\$ 52,883	\$ 5,635,998
Accumulated depreciation	( 16,247)	( 608,954)	( 1,384,466)	( 109,823)	-	( 2,119,490)
	<u>\$ 21,696</u>	<u>\$ 670,685</u>	<u>\$ 2,377,966</u>	<u>\$ 393,278</u>	<u>\$ 52,883</u>	<u>\$ 3,516,508</u>
<u>For the year ended December 31, 2022</u>						
At January 1	\$ 21,696	\$ 670,685	\$ 2,377,966	\$ 393,278	\$ 52,883	\$ 3,516,508
Additions	-	-	-	-	480,664	480,664
Transferred after acceptance inspection	7,723	112,940	319,817	62,471	( 502,951)	-
Depreciation	( 7,363)	( 237,180)	( 368,290)	( 38,629)	-	( 651,462)
Disposal-Cost	( 9,144)	( 217,981)	( 286,140)	( 21,937)	-	( 535,202)
-Accumulated depreciation	<u>4,600</u>	<u>217,765</u>	<u>284,876</u>	<u>21,655</u>	<u>-</u>	<u>528,896</u>
At December 31	<u>\$ 17,512</u>	<u>\$ 546,229</u>	<u>\$ 2,328,229</u>	<u>\$ 416,838</u>	<u>\$ 30,596</u>	<u>\$ 3,339,404</u>
<u>At December 31, 2022</u>						
Cost	\$ 36,522	\$ 1,174,598	\$ 3,796,109	\$ 543,635	\$ 30,596	\$ 5,581,460
Accumulated depreciation	( 19,010)	( 628,369)	( 1,467,880)	( 126,797)	-	( 2,242,056)
	<u>\$ 17,512</u>	<u>\$ 546,229</u>	<u>\$ 2,328,229</u>	<u>\$ 416,838</u>	<u>\$ 30,596</u>	<u>\$ 3,339,404</u>



- A. The property, plant and equipment were all owner-occupied as of December 31, 2023 and 2022.
- B. Amount of borrowing costs capitalized as part of property, plant and equipment and the range of interest rates for such capitalization are as follows:

	For the years ended December 31,	
	2023	2022
Amount capitalized	\$ 1,175	\$ 866
Interest rate range	1.17% ~ 2.33%	0.83% ~ 1.52%

- C. As of December 31, 2023 and 2022, no property, plant and equipment was pledged to others.

(30) Leasing arrangements-lessee

- A. The Company leases various assets including buildings and structures, machinery and other equipment. Rental contracts are typically made for periods of 3 to 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. The Company has lease contracts with the key management and non-related parties. The lease terms are between 3 to 20 years. As of December 31, 2023 and 2022, the amount of deposits paid in accordance with the lease contracts was \$465,512 and \$433,898, respectively and was classified as refundable deposits.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2023	December 31, 2022
	Carrying amount	Carrying amount
Buildings and structures	\$ 12,574,811	\$ 11,634,760
Machinery and equipment	13,030	12,147
Other equipment	8,770	10,586
	<u>\$ 12,596,611</u>	<u>\$ 11,657,493</u>

	For the years ended December 31,	
	2023	2022
	Depreciation charge	Depreciation charge
Buildings and structures	\$ 1,884,099	\$ 1,730,928
Machinery and equipment	5,816	5,644
Other equipment	1,736	1,477
	<u>\$ 1,891,651</u>	<u>\$ 1,738,049</u>

- D. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were \$93,770 and \$107,578, respectively, and the additions from remeasurement of right-of-use assets were \$2,798,733 and \$663,430, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	For the years ended December 31,	
	2023	2022
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 139,950	\$ 132,928
Expense on short-term lease contracts	10,291	9,510
Expense on leases of low-value assets	312	240
Expense on variable lease payments	89,348	51,487
Gain on sublease of right-of-use assets	( 76,819)	( 47,648)
Gain from lease modification	( 1,250)	( 2,665)

F. For the years ended December 31, 2023 and 2022, the Company's total cash outflow for leases were \$2,129,221 and \$1,932,115, respectively.

G. Variable lease payments

Some of the Company's lease contracts contain variable lease payment terms that are linked to sales generated from a store. For individual stores, up to 11% ~13% of lease payments are on the basis of variable payment terms and are accrued based on the sales amount. Variable payment terms are used for a variety of reasons, including minimizing the fixed costs for newly established stores. Various lease payments that depend on sales are recognized in profit or loss in the period in which the event or condition that triggers those payments occurs.

H. Extension and termination options

- Extension options are included in approximately 99.73% of the Company's lease contracts pertaining to retail stores. These terms and conditions aim to maximize optional flexibility in terms of managing contracts.
- In determining the lease term, the Company takes into consideration all facts and circumstances that create an economic incentive to exercise an extension option or not to exercise a termination option. The assessment of lease period is reviewed if a significant event occurs which affects the assessment.

(31) Leasing arrangements – lessor

- The Company subleases underlying assets right-of-use assets—buildings and structures. Rental contracts are made for a period of 12 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.
- The Company leases right-of-use assets—buildings and structures under a finance lease. Information on profit or loss in relation to lease contracts is as follows:

	For the year ended December 31, 2023
Finance income from the net investment in the finance lease	\$ 67

C. The maturity analysis of the undiscounted lease payments in the finance lease is as follows:

	December 31, 2023
Within 1 year	\$ 5,640
2-5 years	22,795
Over 6 years	40,833
	<u>\$ 69,268</u>

D. Reconciliation of the undiscounted lease payments and the net investment in the finance lease is provided as follows:

	December 31, 2023	
	Current	Non-current
Undiscounted lease payments	\$ 5,640	\$ 63,628
Unearned finance income	( 775)	( 4,224)
Net investment in the lease	<u>\$ 4,865</u>	<u>\$ 59,404</u>

E. Leasing arrangements – lessor in 2022 : None.

F. For the years ended December 31, 2023 and 2022, the Company recognised rent income in the amounts of \$76,752 and \$47,648, respectively, based on the operating lease agreement, which does not include variable lease payments.

G. The maturity analysis of the lease payments under the operating leases is as follows:

	December 31, 2023	December 31, 2022
Within 1 year	\$ 115,498	\$ 71,503
2-5 years	414,475	231,190
Over 5 years	200,235	192,165
	<u>\$ 730,208</u>	<u>\$ 494,858</u>

(32) Other payables

	December 31, 2023	December 31, 2022
Salaries and bonuses payable	\$ 393,334	\$ 334,988
Accrued employees' compensation and directors' remuneration	207,080	169,780
Equipment payable	77,400	45,545
Labor and health insurance payable	47,482	38,345
Others	202,914	166,751
	<u>\$ 928,210</u>	<u>\$ 755,409</u>

(33) Long-term borrowings

<u>Nature</u>	<u>Borrowing period</u>	<u>Range of interest rates</u>	<u>Collateral</u>	<u>December 31, 2023</u>
Long-term bank borrowings				
Unsecured bank borrowings	5.13.2021 ~ 8.14.2026	1.69% ~ 2.09%	None	\$ 2,161,354
Less: Current portion of long-term borrowings				( 1,245,209)
				<u>\$ 916,145</u>
<u>Nature</u>	<u>Borrowing period</u>	<u>Range of interest rates</u>	<u>Collateral</u>	<u>December 31, 2022</u>
Long-term bank borrowings				
Unsecured bank borrowings	3.19.2020 ~ 5.26.2025	1.35% ~ 1.82%	None	\$ 2,265,878
Less: Current portion of long-term borrowings				( 1,352,830)
				<u>\$ 913,048</u>

For more information about interest expenses recognized by the Company for the years ended December 31, 2023 and 2022, refer to Note 6(18), "Finance costs".

(34) Pensions

A. The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contribution for the deficit by next March. Information on the Company's aforementioned pension plan is as follows:

a. The amounts recognized in the balance sheet are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Present value of defined benefit obligations	(\$ 64,269)	(\$ 62,359)
Fair value of plan assets	<u>70,105</u>	<u>70,488</u>
Net defined benefit (liabilities) assets	<u>\$ 5,836</u>	<u>\$ 8,129</u>

b. Movements in net defined benefit assets are as follows:

	<u>Present value of defined benefit obligations</u>	<u>Fair value of plan assets</u>	<u>Net defined benefit liability</u>
<u>For the year ended December 31, 2023</u>			
Balance at January 1	(\$ 62,359)	\$ 70,488	\$ 8,129
Current service cost	( 71)	-	( 71)
Interest (expense) income	( 873)	987	114
	<u>( 63,303)</u>	<u>71,475</u>	<u>8,172</u>
Remeasurements:			
Return on plan assets	-	199	199
Change in financial assumptions	( 717)	-	( 717)
Experience adjustments	( 4,359)	-	( 4,359)
	<u>( 5,076)</u>	<u>199</u>	<u>( 4,877)</u>
Pension fund contribution	-	2,541	2,541
Paid pension	4,110	( 4,110)	-
Balance at December 31	<u>(\$ 64,269)</u>	<u>\$ 70,105</u>	<u>\$ 5,836</u>

	<u>Present value of defined benefit obligations</u>	<u>Fair value of plan assets</u>	<u>Net defined benefit liability</u>
<u>For the year ended December 31, 2022</u>			
Balance at January 1	(\$ 66,224)	\$ 64,873	(\$ 1,351)
Current service cost	( 165)	-	( 165)
Interest (expense) income	( 464)	454	( 10)
	<u>( 66,853)</u>	<u>65,327</u>	<u>( 1,526)</u>
Remeasurements:			
Return on plan assets	-	4,952	4,952
Change in financial assumptions	5,411	-	5,411
Experience adjustments	( 3,148)	-	( 3,148)
	<u>2,263</u>	<u>4,952</u>	<u>7,215</u>
Pension fund contribution	-	2,440	2,440
Paid pension	2,231	( 2,231)	-
Balance at December 31	<u>(\$ 62,359)</u>	<u>\$ 70,488</u>	<u>\$ 8,129</u>

- c. The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.
- d. The principal actuarial assumptions used were as follows:

	For the years ended December 31,	
	2023	2022
Discount rate	1.30%	1.40%
Future salary increases	2.50%	2.50%

Assumptions regarding future mortality experience are set based on the sixth experience life table of Taiwan life insurance industry for the years ended December 31, 2023 and 2022, respectively.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
<u>December 31, 2023</u>				
Effect on present value of defined benefit obligation	(\$ 1,774)	\$ 1,841	\$ 1,654	(\$ 1,605)
<u>December 31, 2022</u>				
Effect on present value of defined benefit obligation	(\$ 1,795)	\$ 1,866	\$ 1,684	(\$ 1,632)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.



The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

- e. Expected contributions to the defined benefit pension plan of the Company for the next year amount to \$2,491.
- f. As of December 31, 2023, the weighted average duration of the retirement plan is 12 years.

The analysis of timing of the future pension payment was as follows:

Within 1 year	\$	1,620
2-5 years		10,094
Over 5 years		17,628
	\$	<u>29,342</u>

- B. Effective July 1, 2005, the Company has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2023 and 2022 were \$117,479 and \$99,007, respectively.

(35) Common stock

- A. Movements in the number of the Company’s ordinary shares outstanding are as follows (in thousands of shares):

	For the years ended December 31,	
	2023	2022
Balance at January 1	102,182	100,859
Stock dividends	1,022	1,009
Employees’ stock compensation	289	314
Balance at December 31	<u>103,493</u>	<u>102,182</u>

- B. On June 21, 2022, the Company’s shareholders during their meeting adopted a resolution and reported to shareholders at its meeting to issue new shares of common stock through capitalization of unappropriated retained earnings of \$10,086 and employees’ compensation payable of \$122,300. As approved by the Securities and Futures Bureau, Financial Supervisory Commission, the effective date of the capitalization was set on July 26, 2022. Of the amount of \$122,300 employees’ stock compensation, 314 thousand shares were calculated based on the fair value per share at the preceding day of the Board of Directors’ meeting, after taking into account the effects of ex-rights and ex-dividends. Amounts arising in excess of par value on issuance are classified as capital surplus-additional paid-in capital.



- C. On May 30, 2023, the Company's shareholders during their meeting adopted a resolution and reported to shareholders at its meeting to issue new shares of common stock through capitalization of unappropriated retained earnings of \$10,218 and employees' compensation payable of \$164,500. As approved by the Securities and Futures Bureau, Financial Supervisory Commission, the effective date of the capitalization was set on July 15, 2023. Of the amount of \$164,500 employees' stock compensation, 289 thousand shares were calculated based on the fair value per share at the preceding day of the Board of Directors' meeting, after taking into account the effects of ex-rights and ex-dividends. Amounts arising in excess of par value on issuance are classified as capital surplus-additional paid-in capital.
- D. As of December 31, 2023, the Company's total authorized capital was \$1,200,000 (including \$20,000 reserved for employee stock options) and the paid-in capital was \$1,034,930 (103,493 thousand shares) with par value of \$10 (in dollars) per share.

(36) Capital surplus

Pursuant to the Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the Securities and Exchange Law requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is used.

(37) Retained earnings

- A. The legal reserve shall be exclusively used to cover accumulated deficit, to issue new stocks or distribute cash to shareholders in proportion to their share ownership. The use of legal reserve for the issuance of stocks or cash dividends to shareholders in proportion to their share ownership is permitted provided that the balance of such reserve exceeds 25% of the Company's paid-in capital.
- B. As the Company operates in a volatile business environment and is in stable growth stage, the appropriation of earnings should consider fund requirements and capital budget in determining how much earnings will be kept or distributed and how much cash dividends will be distributed. Under the Company's Articles of Incorporation, 10% of the annual net income, after offsetting any loss of prior years and paying all taxes and dues, shall be set aside as legal reserve. The remaining net income is the distributable net profit of this period, which is added to the unappropriated retained earnings from prior years to arrive at the accumulated distributable net profit. After considering business environment, future operations, the need for reinvestment, etc., the Board of Directors will propose a resolution for the distribution of earnings which will be approved at the shareholders' meeting. The distributable net profit shall be appropriated as: 50%~100% of accumulated distributable net profit will be appropriated as dividends and bonuses to shareholders, with cash dividends being at least 1% of the total dividends. Amounts

shall be distributed as stock dividends when the cash dividend per share is less than \$0.5 (in dollars). The Company's Board of Directors distributed all or part of the distributable dividends and bonuses in cash through a resolution adopted by a majority vote at its meeting attended by two-thirds of the total number of directors and reported it to the shareholders' meeting. The aforementioned regulations of requiring the resolutions from the shareholders are not applicable.

- C. In accordance with the regulations, the Company shall set aside special reserve arising from the debit balance in other equity items at the balance sheet date before distributing earnings. When debit balance in other equity items is reversed subsequently, an equal amount could then be used for distribution.
- D. The Company recognized dividends distributed to owners in 2022 amounting to \$1,109,454 (\$11 dollars per share) and the distribution of stock dividends of \$10,086 (\$0.1 dollars per share). The dividends were resolved by the Board of Directors on February 20, 2023. During their meeting on May 30, 2023, the distribution of cash dividends from 2022 earnings of \$2,442,151 (\$23.9 dollars per share) was reported to the Company's shareholders and on that date, the shareholders approved the distribution of stock dividends of \$10,218 (\$0.1 dollars per share). During its meeting on February 26, 2024, the Board of Directors resolved and proposed for the distribution of cash dividends and stock dividends from 2023 earnings of \$2,173,352 (\$21 dollars per share) and \$10,349 (\$0.1 dollars per share), respectively. Information about the distribution of dividends by the Company as proposed by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(38) Operating revenue

- A. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods and services at a point in time as follows:

	For the years ended December 31,	
	2023	2022
Merchandise sales	\$ 21,945,875	\$ 19,349,667
License income	132,820	126,502
	<u>\$ 22,078,695</u>	<u>\$ 19,476,169</u>

- B. Contract assets and liabilities

As of December 31, 2023, January 1, 2023 (December 31, 2022), and January 1, 2022, the Company has no revenue-related contract assets, and the Company has recognized the following revenue-related contract liabilities:

	December 31, 2023	January 1, 2023 (December 31, 2022)	January 1, 2022
Contract liabilities:			
– Customer loyalty programmes	\$ 63,995	\$ 71,965	\$ 49,252
– Unearned receipts	26,935	26,059	20,391
	<u>\$ 90,930</u>	<u>\$ 98,024</u>	<u>\$ 69,643</u>

a. Significant changes in contract assets and liabilities

The Company has no significant changes in contract assets and liabilities for the years ended December 31, 2023 and 2022.

b. Revenue recognized that was included in the contract liability balance at the beginning of the year is shown below:

	For the years ended December 31,	
	2023	2022
Revenue recognized that was included in the contract liability balance at the beginning of the year		
Customer loyalty programmes	\$ 71,965	\$ 49,252
Unearned receipts	26,059	20,391
	<u>\$ 98,024</u>	<u>\$ 69,643</u>

(39) Interest income

	For the years ended December 31,	
	2023	2022
Interest income from bank deposits	\$ 17,720	\$ 4,582
Other interest income	3,002	2,254
	<u>\$ 20,722</u>	<u>\$ 6,836</u>

(40) Other income

	For the years ended December 31,	
	2023	2022
Rental income	\$ 76,752	\$ 47,648
Other income	38,031	46,553
	<u>\$ 114,783</u>	<u>\$ 94,201</u>

(41) Other gains and losses

	For the years ended December 31,	
	2023	2022
Loss on disposal of property, plant and equipment	(\$ 14,121)	(\$ 880)
Income from subleasing right-of-use assets	\$ 2,877	\$ -
Gain from lease modification	1,250	2,665
	<u>(\$ 9,994)</u>	<u>\$ 1,785</u>

(42) Finance costs

	For the years ended December 31,	
	2023	2022
Interest expense:		
Bank borrowings	\$ 39,654	\$ 39,559
Others	127,798	122,063
Less: Capitalization of qualifying assets	( 1,175)	( 866)
	<u>\$ 166,277</u>	<u>\$ 160,756</u>

(43) Expenses by nature

	For the year ended December 31, 2023		
	Operating expenses	Operating costs	Total
Employee benefit expense	<u>\$ 2,763,873</u>	<u>\$ 268,845</u>	<u>\$ 3,032,718</u>
Depreciation	<u>\$ 2,390,866</u>	<u>\$ 138,061</u>	<u>\$ 2,528,927</u>

	For the year ended December 31, 2022		
	Operating expenses	Operating costs	Total
Employee benefit expense	<u>\$ 2,277,420</u>	<u>\$ 243,545</u>	<u>\$ 2,520,965</u>
Depreciation	<u>\$ 2,248,060</u>	<u>\$ 141,451</u>	<u>\$ 2,389,511</u>

(44) Employee benefit expenses

	For the year ended December 31, 2023		
<u>Full time employees</u>	<u>Operating expenses</u>	<u>Operating costs</u>	<u>Total</u>
Wages and salaries	\$ 2,060,500	\$ 98,365	\$ 2,158,865
Labor and health insurance expense	216,054	10,225	226,279
Pension costs	95,789	5,222	101,011
Directors' remuneration	5,780	-	5,780
Other personnel expenses	13,267	54	13,321
	<u>\$ 2,391,390</u>	<u>\$ 113,866</u>	<u>\$ 2,505,256</u>

	For the year ended December 31, 2023		
<u>Part time employees</u>	<u>Operating expenses</u>	<u>Operating costs</u>	<u>Total</u>
Wages and salaries	\$ 315,694	\$ 4,670	\$ 320,364
Labor and health insurance expense	40,364	-	40,364
Pension costs	16,425	-	16,425
Other personnel expenses	-	150,309	150,309
	<u>\$ 372,483</u>	<u>\$ 154,979</u>	<u>\$ 527,462</u>

	For the year ended December 31, 2022		
<u>Full time employees</u>	<u>Operating expenses</u>	<u>Operating costs</u>	<u>Total</u>
Wages and salaries	\$ 1,749,959	\$ 94,656	\$ 1,844,615
Labor and health insurance expense	179,953	10,080	190,033
Pension costs	81,813	4,801	86,614
Directors' remuneration	5,280	-	5,280
Other personnel expenses	14,302	51	14,353
	<u>\$ 2,031,307</u>	<u>\$ 109,588</u>	<u>\$ 2,140,895</u>

	For the year ended December 31, 2022		
<u>Part time employees</u>	<u>Operating expenses</u>	<u>Operating costs</u>	<u>Total</u>
Wages and salaries	\$ 202,186	\$ 4,362	\$ 206,548
Labor and health insurance expense	31,359	-	31,359
Pension costs	12,568	-	12,568
Other personnel expenses	-	129,595	129,595
	<u>\$ 246,113</u>	<u>\$ 133,957</u>	<u>\$ 380,070</u>

A. The number of full time employees were 4,079 and 3,730, while part time employees were 1,309 and 1,102 on average for the years ended December 31, 2023 and 2022, including 5 and 4 directors, respectively.

The employee benefit expenses were \$46,860 and \$43,426, while the employee wages and salaries were \$38,381 and \$35,408 on average for the years ended December 31, 2023 and 2022, respectively. The employee wages and salaries for the year ended December 31, 2023 increased by approximately 8.40% compared to the year ended December 31, 2022.

- B. Under the salary and compensation policy of the Company, directors' remuneration is reviewed by the Compensation Committee based on the degree of their participation, the value contributed to the Company's operations, and the average level in the industry; the compensation for executive officers is reviewed by the Committee and resolved by the Board of Directors based on executive officers' job title, function, contribution, performance, and in consideration of the Company's future risk, etc.; the salary levels of employees vary depending on positions, job requirements and job substitution. At the same time, employees' skills, experience and education are considered as the main basis for salary assessment. The Company understands the industry salary standard and adjusts the salary levels and salary structure in time through regular salary surveys, which is the salary evaluation basis for special talents or newly added positions.
- C. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 5% for employees' compensation and shall not be higher than 6% for directors' remuneration.
- D. For the years ended December 31, 2023 and 2022, employees' compensation were accrued at \$201,300 and \$164,500, respectively; while directors' remuneration were accrued at \$5,780 and \$5,280, respectively. The aforementioned amounts were recognized in salary expenses that were estimated and accrued based on the distributable net profit of current year calculated by the percentage prescribed under the Company's Articles of Incorporation. The employees' compensation and directors' remuneration resolved by the Board of Directors on February 26, 2024 were \$201,300 and \$5,780, respectively, and the employees' compensation will be distributed in the form of shares. The actual amount approved at the Board of Directors' meeting for employees' compensation and directors' remuneration for 2022 were \$164,500 and \$5,280, respectively, which were the same as the estimated amount recognized in the 2022 financial statements. The number of shares to be distributed as employees' compensation for 2022 and 2021 were 289 thousand and 314 thousand shares, respectively. Refer to Note 6(11) for more information.

Information about employees' compensation and directors' remuneration by the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(45) Income tax

A. Income tax expense

a. Components of income tax expense:

	For the years ended December 31,	
	2023	2022
Current income tax:		
Current tax on profits for the year	\$ 630,867	\$ 523,906
Tax on undistributed surplus earnings	-	3,688
Prior year income tax over estimation	( 3,813)	( 2,201)
Total current tax	<u>627,054</u>	<u>525,393</u>
Deferred tax:		
Origination and reversal of temporary differences	78	( 5,628)
Income tax expense	<u>\$ 627,132</u>	<u>\$ 519,765</u>

b. The income tax charged to components of other comprehensive income during the year is as follows:

	For the years ended December 31,	
	2023	2022
Remeasurements of defined benefit obligations	(\$ 975)	\$ 1,443

B. Reconciliation between income tax expense and accounting profit

	For the years ended December 31,	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate	\$ 630,505	\$ 517,568
Expenses disallowed by tax regulation	440	710
Tax on undistributed earnings	-	3,688
Prior year income tax over estimation	( 3,813)	( 2,201)
Income tax expense	<u>\$ 627,132</u>	<u>\$ 519,765</u>

C. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

For the year ended December 31, 2023				
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Temporary differences:				
— Deferred tax assets:				
Unrealized expense	\$ 11,948	\$ 2,033	\$ -	\$ 13,981
Pension	4,934	-	975	5,909
Unearned revenue	14,393	( 1,594)	-	12,799
	<u>\$ 31,275</u>	<u>\$ 439</u>	<u>\$ 975</u>	<u>\$ 32,689</u>
— Deferred tax liabilities:				
Pension	(\$ 5,861)	(\$ 517)	\$ -	(\$ 6,378)
	<u>\$ 25,414</u>	<u>(\$ 78)</u>	<u>\$ 975</u>	<u>\$ 26,311</u>
For the year ended December 31, 2022				
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Temporary differences:				
— Deferred tax assets:				
Unrealized expense	\$ 10,409	\$ 1,539	\$ -	\$ 11,948
Pension	6,377	-	( 1,443)	4,934
Unearned revenue	9,851	4,542	-	14,393
	<u>\$ 26,637</u>	<u>\$ 6,081</u>	<u>(\$ 1,443)</u>	<u>\$ 31,275</u>
— Deferred tax liabilities:				
Pension	(\$ 5,408)	(\$ 453)	\$ -	(\$ 5,861)
	<u>\$ 21,229</u>	<u>\$ 5,628</u>	<u>(\$ 1,443)</u>	<u>\$ 25,414</u>

D. As of February 26, 2024, the Company's income tax returns through 2021 have been assessed by the Tax Authority, and there were no disputes existing between the Company and the Tax Authority.



(46) Earnings per share

For the year ended December 31, 2023			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 2,525,392	103,453	\$ 24.41
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 2,525,392	103,453	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	448	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	\$ 2,525,392	103,901	\$ 24.31
For the year ended December 31, 2022			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 2,068,075	103,105	\$ 20.06
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 2,068,075	103,105	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	457	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	\$ 2,068,075	103,562	\$ 19.97

The abovementioned weighted average number of ordinary shares outstanding has been adjusted to unappropriated retained earnings as proportional increase in capital for the year ended December 31, 2022.

(47) Supplemental cash flow information

A. Investing activities with partial cash payments:

	For the years ended December 31,	
	2023	2022
Purchase of property, plant and equipment	\$ 1,006,772	\$ 480,664
Add: Beginning balance of payable on equipment (Other payables)	45,545	37,061
Less: Ending balance of payable on equipment (Other payables)	( 77,400)	( 45,545)
Capitalization of interest	( 1,175)	( 866)
Cash paid for acquisition of property, plant and equipment	<u>\$ 973,742</u>	<u>\$ 471,314</u>

B. Investing and financing activities with no cash flow effects:

	For the years ended December 31,	
	2023	2022
(a) Right-of-use assets transferred to finance lease receivable	<u>\$ 61,734</u>	<u>\$ -</u>
(b) Accrued employees' compensation transferred to stock dividends to be distributed	<u>\$ 164,500</u>	<u>\$ 122,300</u>

(48) Changes in liabilities from financing activities

	Long-term borrowings (Including current portion)	Lease liabilities	Guarantee deposits received	Liabilities from financing activities-gross
At January 1, 2023	\$ 2,265,878	\$ 11,653,248	\$ 20,001	\$ 13,939,127
Changes in cash flow from financing activities	( 104,524)	( 1,795,550)	37,442	( 1,862,632)
Changes in other non-cash items	-	2,797,483	-	2,797,483
At December 31, 2023	<u>\$ 2,161,354</u>	<u>\$ 12,655,181</u>	<u>\$ 57,443</u>	<u>\$ 14,873,978</u>
	Long-term borrowings (Including current portion)	Lease liabilities	Guarantee deposits received	Liabilities from financing activities-gross
At January 1, 2022	\$ 3,803,312	\$ 12,622,855	\$ 11,731	\$ 16,437,898
Changes in cash flow from financing activities	( 1,537,434)	( 1,630,372)	8,270	( 3,159,536)
Changes in other non-cash items	-	660,765	-	660,765
At December 31, 2022	<u>\$ 2,265,878</u>	<u>\$ 11,653,248</u>	<u>\$ 20,001</u>	<u>\$ 13,939,127</u>

## 7. RELATED PARTY TRANSACTIONS

### (49) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Company</u>
Chen Chien Tsao	Key management of the Company

### (50) Significant related party transactions

#### Lease transactions — lessee

A. The Company leases office from the key management of the Company. Rental contracts are typically made for 3 years. Rents are paid at the end of the month.

#### B. Acquisition of right-of-use assets

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Key management of the Company	\$ <u>2,956</u>	\$ <u>5,912</u>

#### C. Lease liabilities

##### (a) Outstanding balance

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Key management of the Company	\$ <u>2,986</u>	\$ <u>5,942</u>

Classified as “Current lease liabilities” and “Non-current lease liabilities”.

##### (b) Interest expense

	<u>For the years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Key management of the Company	\$ <u>44</u>	\$ <u>74</u>

### (51) Key management compensation

	<u>For the years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Salaries and other short-term employee benefits	\$ <u>19,300</u>	\$ <u>18,797</u>

## 8. PLEDGED ASSETS

The Company’s assets pledged as collateral are as follows:

<u>Assets</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>	<u>Purpose of collateral</u>
Demand deposits (Note)	\$ <u>7,237</u>	\$ <u>7,237</u>	Performance guarantee
Certificate of deposit (Note)	<u>12,050</u>	<u>12,050</u>	Refundable deposits
	\$ <u>19,287</u>	\$ <u>19,287</u>	

(Note) Classified as “Other current financial assets” and “Other non-current financial assets”.

## 9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

Capital expenditures contracted for but not yet incurred

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Property, plant and equipment	\$ <u>156,097</u>	\$ <u>50,076</u>

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(2) Financial instruments

A. Financial instruments by category

The Company's financial instruments not measured at fair value, including cash and cash equivalents, notes receivable, accounts receivable, finance lease receivable (including current and non-current), other receivables, other current financial assets, refundable deposits, other non-current financial assets, notes payable, accounts payable, other payables, long-term borrowings (including current portion) and guarantee deposits received are based on their book value as book value approximates fair value. In addition, the fair value information of financial instruments measured at fair value is described in Note 12(3), "Fair value information".

B. Financial risk management policies

The Company adopts a comprehensive risk management system to identify all risks (including market risk, credit risk and liquidity risk) and to enable key management to measure and control all risks. The Company's objectives when managing market risk are achieving optimal risk exposure, maintaining appropriate liquidity and managing all market risks centrally by taking into account the economic environment, competition and market risk.

C. Significant financial risks and degrees of financial risks

(a) Market risk

I. Foreign exchange risk

Since the main transactions of the Company are denominated in New Taiwan dollars, the Company is not engaged in foreign exchange contracts. Therefore, the Company is not exposed to significant foreign exchange risk.

II. Price risk

The Company is not engaged in any financial instrument or derivatives investment, hence is not exposed to price risk.

### III. Cash flow and fair value interest rate risk

- i. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During the years ended December 31, 2023 and 2022, the Company's borrowings at variable rate were mainly denominated in New Taiwan dollars.
- ii. The Company's borrowings are measured at amortized cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.
- iii. If the borrowing interest rate had increased/decreased by 10% with all other variables held constant, other comprehensive income for the years ended December 31, 2023 and 2022 would have decreased/increased by \$3,172 and \$3,165, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

#### (b) Credit risk

- I. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
- II. The Company manages its credit risk taking into consideration the entire Company's concern. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. According to the Company's credit policy, the Company is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.
- III. The Company adopts the following assumption under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition: If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition. The default occurs when the contract payments are past due over certain number of days.
- IV. The Company classifies customers' accounts receivable in accordance with credit risk on trade. The Company applies the modified approach using the provision matrix to estimate expected credit loss.
- V. The Company uses the forecast to adjust historical and timely information to assess the default possibility of accounts receivable. As of December 31, 2023 and 2022, the Company's expected loss rate used in not past due accounts receivable is immaterial,

and the Company has no past due accounts receivable.

VI. The Company did not recognize the immaterial impairment losses when applying the modified approach for the years ended December 31, 2023 and 2022.

(c) Liquidity risk

- I. Cash flow forecasting is performed by the Company. The Company's Finance Department monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.
- II. The Company has the following undrawn borrowing facilities:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Floating rate:		
Expiring within one year	\$ 3,247,374	\$ 2,443,667
Expiring beyond one year	<u>727,272</u>	<u>2,825,455</u>
	<u>\$ 3,974,646</u>	<u>\$ 5,269,122</u>

- III. The table below analyses the Company's non-derivative financial liabilities and relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

<u>December 31, 2023</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>More than 5 years</u>
Non-derivative financial liabilities				
Notes payable	\$ 95,566	\$ -	\$ -	\$ -
Accounts payable	3,033,838	-	-	-
Other payables	928,210	-	-	-
Lease liabilities (including current and non-current portion)	1,873,716	1,810,546	4,537,329	5,101,657
Long-term borrowings (including current portion)	1,266,690	636,691	295,258	-
Guarantee deposits received	-	57,443	-	-

<u>December 31, 2022</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>More than 5 years</u>
Non-derivative financial liabilities				
Notes payable	\$ 45,172	\$ -	\$ -	\$ -
Accounts payable	3,175,489	-	-	-
Other payables	755,409	-	-	-
Lease liabilities (including current and non-current portion)	1,731,370	1,650,392	4,074,375	4,805,815
Long-term borrowings (including current portion)	1,369,731	857,897	66,557	-
Guarantee deposits received	-	20,001	-	-

(3) Fair value information

The Company had no fair value financial instruments as of December 31, 2023 and 2022.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transaction information

(In accordance with the current regulatory requirements, the Company is only required to disclose the information for the year ended December 31, 2023.)

A. Loans to others: None.

B. Provision of endorsements and guarantee to others provided: None.

C. Holding of marketable securities at the end of the period: None.

D. Marketable securities acquired and disposed of at costs or prices of at least \$300 million or 20% of paid-in capital: None.

E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.

G. Total purchases or sales of goods from or to related parties reaching \$100 million or 20% of the paid-in capital or more: None.

H. Receivables from related parties reaching \$100 million or 20% of the paid-in capital or more: None.

I. Derivative financial instruments undertaken: None.

J. Significant inter-company transactions: None.

(2) Disclosure information of investee company

(In accordance with the current regulatory requirements, the Company is only required to disclose the information for the year ended December 31, 2023.)

None.

(3) Disclosure information on indirect investments in Mainland China

(In accordance with the current regulatory requirements, the Company is only required to disclose the information for the year ended December 31, 2023.)

As of December 31, 2023, the Company had no investments in Mainland China.

(4) Major shareholders information

Major shareholders information: Refer to table 1.

14. SEGMENT INFORMATION

(1) General information

The Company operates business only in a single industry. The Company's chief operating decision-maker, who allocates resources and assesses performance of the Company as a whole, has identified that the Company has only one reportable operating segment.

(2) Measurement of segment information

The Board of Directors evaluates the performance of the operating segments based on a measure of EBIT. This measurement basis excludes the effects of non-recurring earnings and expenditures from the operating segments. The accounting policies of the operating segment are the same with those summarized in Note 4 of the financial statements.

(3) Information about segment profit or loss, assets and liabilities

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	For the years ended December 31,	
	2023	2022
	Retailing	Retailing
Segment revenue	\$ 22,078,695	\$ 19,476,169
Revenue from external customers (net)	22,078,695	19,476,169
Depreciation	2,528,927	2,389,511
Finance cost	166,277	160,756
Segment pre-tax profit	3,152,524	2,587,840
Segment assets	25,710,511	24,385,637
Segment liabilities	19,396,227	18,315,192

(4) Reconciliation for segment (loss) income

A. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income. The segment income reported to the chief operating decision-maker is measured in a manner consistent with that in the financial statements. Therefore, a reconciliation is not needed.

B. The amounts provided to the chief operating decision-maker with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements. Therefore, a reconciliation is not needed.

(5) Information on products and services

Please refer to Note 6(14) Operating revenue for related information.



(6) Geographical information

The Company's geographical information for the years ended December 31, 2023 and 2022 is as follows:

	<u>For the year ended December 31, 2023</u>		<u>For the year ended December 31, 2022</u>	
	<u>Revenue</u>	<u>Non-current assets</u>	<u>Revenue</u>	<u>Non-current assets</u>
Taiwan	<u>\$ 22,078,695</u>	<u>\$ 16,301,627</u>	<u>\$ 19,476,169</u>	<u>\$ 15,011,715</u>

(7) Major customer information

The Company's annual revenue from each customer for the years ended December 31, 2023 and 2022 did not reach more than 10% of the revenue on the statement of comprehensive income.

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF CASH AND CASH EQUIVALENTS  
DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

Items	Description	Amount
Cash on hand		\$ 49,620
Checking Deposits		184,198
Demand Deposits—New Taiwan Dollar		<u>1,760,149</u>
		<u>\$ 1,993,967</u>

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF ACCOUNTS RECEIVABLE, NET  
DECEMBER 31, 2023  
 (Expressed in thousands of New Taiwan dollars)

<u>Client Name</u>	<u>Item</u>	<u>Amount</u>
E. SUN Commercial Bank	Accounts receivable - credit card	\$ 85,750
Others (less than 2%)	Accounts receivable - sponsorship	<u>1,328,701</u>
		<u>\$ 1,414,451</u>

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF INVENTORIES  
DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

<u>Item</u>	<u>Amount</u>		<u>Note</u>
	<u>Cost</u>	<u>Net Realizable Value</u>	
Merchandise	\$ <u>5,328,446</u>	\$ <u>7,176,050</u>	(Note)

(Note) The net realizable value was estimated taking into account retail price reductions due to promotions.

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT-COST  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

Please refer to Note 6(5) for the information related to property, plant and equipment.

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT-ACCUMULATED  
DEPRECIATION  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

Please refer to Note 6(5) for the information related to property, plant and equipment, and Note 4(9) for the method to determine depreciation and useful lives for assets.

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS-COST  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Other equipment</u>	<u>Total</u>
Balance at January 1, 2023	\$ 17,552,822	\$ 30,829	\$ 15,017	\$ 17,598,668
Increase in lease liabilities	2,879,974	-	-	2,879,974
Additions	87,071	6,699	-	93,770
Decrease	( 246,294)	-	( 124)	( 246,418)
Balance at December 31, 2023	<u>\$ 20,273,573</u>	<u>\$ 37,528</u>	<u>\$ 14,893</u>	<u>\$ 20,325,994</u>

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS -ACCUMULATED DEPRECIATION  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Other equipment</u>	<u>Total</u>
Balance at January 1, 2023	\$ 5,918,062	\$ 18,682	\$ 4,431	\$ 5,941,175
Additions	1,884,099	5,816	1,736	1,891,651
Decrease	( 103,399)	-	( 44)	( 103,443)
Balance at December 31, 2023	<u>\$ 7,698,762</u>	<u>\$ 24,498</u>	<u>\$ 6,123</u>	<u>\$ 7,729,383</u>



POYA INTERNATIONAL CO., LTD.  
STATEMENT OF REFUNDABLE DEPOSITS  
DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

<u>Item</u>	<u>Amount</u>
Lease deposit	\$ 465,512
Others (less than 5%)	<u>2,703</u>
	<u>\$ 468,215</u>

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF ACCOUNTS PAYABLE  
DECEMBER 31, 2023  
 (Expressed in thousands of New Taiwan dollars)

<u>Suppliers Name</u>	<u>Description</u>	<u>Amount</u>
UNILEVER TAIWAN LTD.	Accounts payable	\$ 83,125
MENTHOLATUM TAIWAN LIMITED	Accounts payable	79,421
KAO (TAIWAN) CORPORATION	Accounts payable	67,346
Others (less than 2%)	Accounts payable	<u>2,803,946</u>
		<u><u>\$ 3,033,838</u></u>

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF OTHER PAYABLES  
DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

Please refer to Note 6(8) for the information related to other payables.

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF CURRENT INCOME TAX LIABILITIES  
DECEMBER 31, 2023  
 (Expressed in thousands of New Taiwan dollars)

<u>Item</u>	<u>Description</u>	<u>Amount</u>	<u>Note</u>
Income tax payable	—	<u>\$ 367,227</u>	—

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF CURRENT LEASE LIABILITIES  
DECEMBER 31, 2023  
 (Expressed in thousands of New Taiwan dollars)

<u>Item</u>	<u>Lease terms</u>	<u>Discount rate</u>	<u>Amount</u>
Buildings and structures	2019.1～2043.1	0.0789%~0.1046%	\$ 1,731,349
Machinery and equipment	2019.1～2028.9	0.0789%~0.1046%	4,585
Other equipment	2019.1～2033.1	0.0789%~0.1000%	1,728
			<u>\$ 1,737,662</u>

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF LONG-TERM BORROWINGS, CURRENT PORTION  
DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

<u>Creditor</u>	<u>Description</u>	<u>Rate</u>	<u>Loan amount</u>	<u>Collateral</u>
Hua Nan Commercial Bank	Unsecured borrowings	( Note )	\$ 670,229	None
E.SUN Commercial Bank	Unsecured borrowings	( Note )	116,667	None
Taipei Fubon Commercial Bank	Unsecured borrowings	( Note )	103,921	None
Yuanta Commercial Bank	Unsecured borrowings	( Note )	98,837	None
Far Eastern International Bank	Unsecured borrowings	( Note )	83,333	None
Entie Commercial Bank	Unsecured borrowings	( Note )	69,444	None
KGI Commercial Bank	Unsecured borrowings	( Note )	55,556	None
First Commercial Bank	Unsecured borrowings	( Note )	27,778	None
Chang Hwa Commercial Bank	Unsecured borrowings	( Note )	19,444	None
			<u>\$ 1,245,209</u>	

( Note ) Range of interest rates is 1.69%~2.09%.

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF LONG-TERM BORROWINGS  
DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

Creditor	Description	Loan Amount	Expiry date	Rate	Collateral	Note
Hua Nan Commercial Bank	Unsecured borrowings	\$ 1,220,556	2021.5.13 ~ 2026.8.14	( Note )	None	Monthly repayment of principal and interest.
E.SUN Commercial Bank	Unsecured borrowings	311,111	2023.8.11 ~ 2026.8.11	( Note )	None	Monthly repayment of principal and interest.
Yuanta Commercial Bank	Unsecured borrowings	267,433	2023.8.14 ~ 2026.8.14	( Note )	None	Monthly repayment of principal and interest.
Taipei Fubon Commercial Bank	Unsecured borrowings	106,699	2022.1.3 ~ 2025.1.3	( Note )	None	Monthly repayment of principal and interest.
Far Eastern International Bank	Unsecured borrowings	83,333	2021.6.16 ~ 2024.6.16	( Note )	None	Monthly repayment of principal and interest.
Entie Commercial Bank	Unsecured borrowings	69,444	2021.5.18 ~ 2024.5.18	( Note )	None	Monthly repayment of principal and interest.
KGI Commercial Bank	Unsecured borrowings	55,556	2021.9.30 ~ 2024.9.30	( Note )	None	Monthly repayment of principal and interest.
First Commercial Bank	Unsecured borrowings	27,778	2021.5.18 ~ 2024.5.18	( Note )	None	Monthly repayment of principal and interest.
Chang Hwa Commercial Bank	Unsecured borrowings	19,444	2021.7.7 ~ 2024.7.7	( Note )	None	Monthly repayment of principal and interest.
		2,161,354				
	Less: Current portion	( 1,245,209 )				
		<u>\$ 916,145</u>				

( Note ) Range of interest rates is 1.69%~2.09%.

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF NON-CURRENT LEASE LIABILITIES  
DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

<u>Item</u>	<u>Lease terms</u>	<u>Discount rate</u>	<u>Amount</u>
Buildings and structures	2019.1～2043.1	0.0789%～0.1046%	\$ 12,633,162
Machinery and equipment	2019.1～2028.9	0.0789%～0.1046%	13,052
Other equipment	2019.1～2033.1	0.0789%～0.1000%	<u>8,967</u>
			12,655,181
		Less: Current portion	( <u>1,737,662</u> )
			<u>\$ 10,917,519</u>



POYA INTERNATIONAL CO., LTD.  
STATEMENT OF OPERATING REVENUE  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

<u>Item</u>	<u>Amount</u>	<u>Note</u>
Retail store revenue	\$ 21,945,875	Revenue from retail stores selling daily supplies
Other operating revenue	<u>132,820</u>	Commission revenue
Operating revenue	<u><u>\$ 22,078,695</u></u>	

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF OPERATING COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

<u>Item</u>	<u>Amount</u>
Merchandise at January 1, 2023	\$ 4,975,241
Add : Merchandise purchased	12,113,181
Less : Loss on physical inventory	( 128,489)
Merchandise at December 31, 2023	( 5,328,446)
Merchandise sold in this period	11,631,487
Loss on physical inventory	128,489
Other operating costs	581,074
Operating costs	<u>\$ 12,341,050</u>

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF OTHER OPERATING COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

<u>Item</u>	<u>Amount</u>
Salaries and wages	\$ 108,257
Depreciation	138,061
Shipping expenses	151,105
Others (less than 3%)	183,651
	<u>\$ 581,074</u>

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF SELLING EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

<u>Item</u>	<u>Amount</u>
Salaries and wages	\$ 2,071,036
Utilities	346,789
Insurance	223,650
Depreciation	2,339,580
Handling fee	224,100
Others (less than 3%)	<u>641,625</u>
	<u>\$ 5,846,780</u>

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF GENERAL AND ADMINISTRATIVE EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2023  
 (Expressed in thousands of New Taiwan dollars)

Item	Amount
Salaries and wages	\$ 423,152
Travelling expenses	39,260
Advertisement	29,860
Insurance	46,296
Depreciation	51,286
Others (less than 3%)	107,721
	\$ 697,575

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF OTHER REVENUE  

---

FOR THE YEAR ENDED DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

Please refer to Note 6(16) for the information related to other income.

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF FINANCIAL COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

Please refer to Note 6(18) for the information related to financial costs.

POYA INTERNATIONAL CO., LTD.  
STATEMENT OF SUMMARY OF EMPLOYEE BENEFITS, DEPRECIATION, AND  
AMORTIZATION EXPENSES IN THE CURRENT PERIOD  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(Expressed in thousands of New Taiwan dollars)

Please refer to Note 6(19) for the additional information related to expenses by nature and Note 6(20) for the information related to employee benefit expenses.



Poya International Co., Ltd.  
Statement of Declaration of Internal Control

Date: February 26, 2024

Poya International Co., Ltd. has conducted internal audit in accordance with its Internal Control Regulation covering the period from January 1<sup>st</sup> to December 31<sup>st</sup> 2023 and hereby declares as follows:

- (1) The Company acknowledges and understands that, the establishment, enforcement and preservation of internal control system is the responsibility of the Board and the managers, and that the Company has already established such system. The purpose it to reasonably ensure the effect and efficiency of operation (including profitability, performance and security of assets), the reliability of financial reporting and the compliance with relevant legal rules.
- (2) There is limitation inherent to internal control system, no matter how perfect the design. As such, effective internal control system may only reasonably ensure the achievement of the aforementioned goals. Further, the operation environment and situation may vary, and hence the effectiveness of the internal controls system. The internal control system of the Company features the self-monitoring mechanism. Once identified, any shortcoming will be corrected immediately.
- (3) The Company judges the effectiveness of the internal control system in design and enforcement in accordance with the “Criteria for the Establishment of Internal Control System of Public Offering Companies” (hereinafter referred to as “the Criteria”). The Criteria is instituted for judging the effectiveness of the design and enforcement of internal control system. There are five components of effective internal control as specified in the Criteria with which the procedure for effective internal control are composed by five elements, namely, 1. control environment, 2. Risk Evaluation, 3. Control Operation, 4. Information and Communication, and 5. Monitoring. Each of the elements in turn contains certain audit items, and shall be referred to the Criteria for detail.
- (4) The Company has adopted the aforementioned internal control system for internal audit on the effectiveness of the design and enforcement of the internal control system.
- (5) Basing on the aforementioned audit findings, the Company holds that has reasonably preserved the achievement of the aforementioned goals within the aforementioned period of internal control (including the monitoring over the subsidiaries), including the effectiveness and efficiency in operation, reliability in financial reporting and compliance with relevant legal rules, and that the design and enforcement of internal control are effective.
- (6) This statement of declaration shall form an integral part of the annual report and prospectus on the Company and will be announced. If there is any fraud, concealment and unlawful practice discovered in the content of the aforementioned information, the Company shall be liable to legal consequences under Article 20, Article 32, Article 171 and Article 174 of the Securities and Exchanges Act.
- (7) This statement of declaration has been approved by the Board in a session held on February 26, 2024 with the presence of 8 directors under unanimous consent.

Chairman: Chen Jian-Zao (signature)  
General Manager: Chen Zong-Cheng (signature)  
Poya International Co., Ltd.

## Address and telephone of corporate headquarters and branches

Business unit	Address	Telephone
Headquarters in Tainan: No.74, Sec. 3, Minzu Rd. West Central Dist. Tainan		(06)241-1000
Headquarters in Taipei: 3F., No.2, Sec. 1, Fuxing N. Rd., Zhongshan Dist., Taipei		(02)8772-8688
Tainan Xiao Bei Branch: No. 169, Ximen Rd., Section IV, Tainan		(06)281-7806
Taipei Yong He Branch: No. 239, Zhongzheng Rd., Yonghe Dist, New Taipei City		(02)8941-7717
Chaunghua Yuan Lin Branch: No. 68, Sanmin St., Yuanlin, Changhua		(04)837-9800
Kaohsiung Feng Shan Branch: No. 138, Zhongshan Rd., Fengshan Dist., Kaohsiung		(07)747-7000
Tainan Dong Ning Branch: No. 229, Dongning Rd., Tainan		(06)275-5933
Taichung 1st High School Branch: No. 22-4, Taiping Rd., Taichung		(04)2221-1023
Taichung Wen Xin Branch: No. 597, Wenxin Rd. Section IV, Beitun Dist., Taichung		(04)2247-0011
Tainan Zhong Hua Branch: No. 273~275, Zhonghua East Rd., Tainan		(06)260-1100
Tainan Yong Kang Branch: No. 106, Zhonghua Rd., Yongkang Dist., Tainan		(06)311-2111
Tainan Jian Kang Branch: No. 175, Zhonghua West Rd., Section I, South Dist., Tainan		(06)292-0202
Douliu Min Sheng Branch: No. 64, Zhongjian West Rd., Douliu, Yunlin		(05)533-5050
Kaohsiung Da Chang Branch: No. 145, Dachang 2nd Rd., Sanmin Dist., Kaohsiung		(07)394-3300
Hualien Zhong Zheng Branch: No. 339-1, Zhongzheng Rd., Hualien		(03)834-3322
Luodong Cang Qian Branch: No. 66, Cangqian Rd., Luodong, Yilan		(03)955-1010
Jiali Yan Ping Branch: 1F, No. 91, Yanping Rd., Jiali Dist., Tainan		(06)723-7700
Chiayi Cui Yang Branch: No. 459, Cuiyang Rd., Chiayi		(05)216-6161
Pingtung Zi You Branch: No. 21, Taiyuan 1st Rd., Pingtung, Pingtung		(08)766-0202
Xinying Min Zhi Branch: No. 227, Minzhi Rd., Xinying Dist., Tainan		(06)656-6611
Nantou Da Tong Branch: No. 70, Datong South St., Nantou, Nantou		(049)222-5200
Kaohsiung You Chang Branch: 1F, No. 645, Houchang Rd., Zuoying Dist., Kaohsiung		(07)363-6767
Taitung Zhong Hua Branch: 1F, NO. 513, Zhonghua Rd. Section I, Taitung, Taitung		(089)337-070
Taichung Da Dun Branch: No. 466, Dadun Rd., Nantun Dist., Taichung		(04)2328-2118
Chaozhou Xin Sheng Branch: 1F, NO. 117, Xinsheng Rd., Chaozhou, Pingtung		(08)788-7700
Hualien Zhong Shan Branch: No. 269, Zhongshan Rd., Hualien, Hualien		(03)831-6666
Taipei Min Sheng Branch: No. 163-1, Minsheng East Rd. Section V, Songshan Dist, Taipei		(02)8787-9900
Fengyuan Fu Qian Branch: 1F, No. 39, Fuqian St., Yangming Li, Fengyuan, Taichung		(04)2524-4000
Kaohsiung Wu Jia Branch: NO. 381, Wujia 2nd Rd., Fengshan Dist., Kaohsiung		(07)727-2111
Miaoli Min Zu Branch: No. 59, Minzu Rd., Miaoli, Miaoli		(037)380-808
Pingtung Min Sheng Branch: No. 248, Minsheng Rd., Pingtung, Pingtung		(08)765-5500
Yunlin Hu Wei Branch: No. 105-1, Heping Rd., Huwei, Yulin		(05)633-8811
Taichung Xue Shi Branch: No. 175, Xueshi Rd., North Dist., Taichung		(04)2203-2000
Shulin Zhongshan Branch: 1F, NO. 111, Zhongshan Rd., Section I, Shulin Dist, New Taipei City		(02)2686-0022
Xizhi Zhong Xing Branch: NO. 195, Zhongxing Rd., Xizhi Dist., New Taipei City		(02)2692-4444
Toufen Zhong Hua Branch: No. 1167, Zhonghua Rd., Toufen, Miaoli		(037)670-033
Longtan Zhong Zheng Branch: No. 222, Zhongzheng Rd., Longtan, Taoyuan		(03)470-0717
Xiaogang Han Min Branch: No. 206, Hanmin Rd., Xiaogang Dist., Kaohsiung		(07)802-0033
Yonghe Zhong Shan Branch: No. 177, Zhongshan Rd. Section I, Yonghe Dist., New Taipei City		(02)2920-2727
Changhua Lu Gang Branch: No. 322, Fuxing Rd., Lugang, Changhua		(04)775-0777
Zhongli Zhong Yuan Branch: No. 55, Zhongbei Rd., Zhongli, Zhongli		(03)438-0505
Nantou Pu Li Branch: No., 24, Zhongshan 2 <sup>nd</sup> Rd., Puli, Nantou		(049)298-6060
Taoyuan Nan Ping Branch: No. 399, Nanping Rd., Taoyuan, Taoyuan		(03)326-1100
Xinzhuang Xin Tai Branch: No. 300, Xintai Rd., Xinzhuang Dist., New Taipei City		(02)2991-4000
Yunlin Bei Gang Branch: No. 62, Huanan Rd., Guangfu Li, Lugang, Yulin		(05)783-6363
Pingtung Dong Gang Branch: No. 316, Zhongzheng Rd. Section I, Donggang, Pingtung		(08)831-0101
Douliu Station Branch: No. 159, Minsheng Rd., Douliu, Yunlin		(05)537-0033
Taichung Tan Zi Branch: No. 2, Lane 99, Yatan Rd. Section I, Tanzi Dist., Taichung		(04)253-20000
Yilan Station Branch: No. 6, Guangfu Rd., Yilan, Yilan		(03)936-0505
Fenshan Qing Nian Branch: No. 471, Qingnian 2 <sup>nd</sup> Rd., Fenshan Dist., Kaohsiung		(07)767-6262
Keelung Dong Ming Branch: No. 177, Dongming Rd, XinYi Dist, Keelung		(02)2468-0066
Tainan Hai Tian Branch: 1F, No. 120, Haitian Rd. Section I, Annan Dist., Tainan		(06)350-0011
Tainan Shan Hua Branch: No. 472, Zhongzheng Rd., Shanhu Dist., Tainan		(06)583-0000
Taoyuan Ba De Branch: No. 126, Sec. 2, Jieshou Rd., Bade, Taoyuan		(03)371-3838
Banqiao Chong Qing Branch: 1F, No. 247, Chongqing Rd., Banqiao, New Taipei City		(02)2958-1818
Taichung Mei Cun South Branch: No. 70, Meichun South Rd., South Dist., Taichung		(04)226-03388
Daya Zhong Qing Branch: No.1171, Sec. 3, Zhongqing Rd., Daya Dist., Taichung		(04)256-60202
Tainan Ma Dou Branch: No. 22-1, Bo'ai Rd., Madou Dist., Tainan		(06)571-2211
Yingge Jian Guo Branch: No., 280, Jianguo Rd., Yingge, New Taipei City		(02)2677-4488
Neili Zhong Xiao Branch: No. 74, Zhongxiao Rd., Zhongli, Taoyuan		(03)435-5000
Kaohsiung Rui Long Branch: No. 459, Ruilong Rd., Qianzhen Dist., Kaohsiung		(07)713-0011
Taichung Wu Feng Branch: No., 1095, Zhongzheng Rd., Wufeng Dist., Taichung		(04)233-21333

Business unit	Address	Telephone
Zhunan Bo Ai Branch: No. 281, Bo'ai St., Zhunan, Miaoli		(037)481-414
Hsinchu Dong Men Branch: No. 73, Fuxing Rd., Hsinchu		(03)523-2200
Xinzhuang Long An Branch: No.252-1, Longan Rd., Xinzhuang Dist., New Taipei City		(02)2202-1000
Linkou Ren Ai Branch: No. 2, Yulin St., Linkou, New Taipei City		(02)8601-9191
Hsinchu Hu Kou Branch: No. 23, Zhongxiao Rd., Hukou, Hsinchu		(03)590-6363
Tainan Gui Ren Branch: No. 133, Zhongshan Rd. Section III, Guiren Dist., Tainan		(06)338-8000
Taoyuan Da You Branch: NO. 586, Dayou Rd., Taoyuan, Taoyuan		(03)316-0111
Nantou Zhu Shan Branch: No.89, Dali Rd., Zhushan, Nantou		(049)266-2200
Kaohsiung Da Shun Branch: No. 110, Dashun 3 <sup>rd</sup> Rd., Yaling Dist., Kaohsiung		(07)713-1111
Changhua Bei Dou Branch: No. 313, Fuxing Rd., Beidou, Changhua		(04)888-2020
Taichung Jing Wu East Branch: No. 97, Jingwu East Rd., East Dist., Taichung		(04)2211-9292
Banqiao Xin Hai Branch: No. 93, Xinhai Rd., Banqiao, New Taipei City		(02)2250-7766
Kaohsiung Qi Shan Branch: No. 7-17, Dongxin St., Qishan Dist., Kaohsiung		(07)662-2626
Hsinchu Jing Guo Branch: No. 820, Jinguo Rd., Section I, Hsinchu		(03)542-1616
Zhudong Chang Chun Branch: No. 100, Changchun Rd. Section III, Zhudong, Hsinchu		(03)595-3322
Dali Cheng Gong Branch: No.23, Chenggong 2 <sup>nd</sup> Rd., Dali Dist., Taichung		(04)2493-7373
Taichung Song Zhu Branch: No. 168, Songzhu Rd. Section II, Beitun Dist., Taichung		(04)2242-2211
Guishan Wen Hua Branch: No. 26, Wenhua 2 <sup>nd</sup> Rd., Guishan, Taoyuan		(03)327-5050
Kaohsiung Minsheng Branch: No. 1, Minsheng 1 <sup>st</sup> Rd., Xinxing Dist., Kaohsiung		(07)229-9090
Taitung Xin Sheng Branch: No., 201, Xincheng Rd., Taitung, Taitung		(089)322-211
Nanmiao Zhong Zheng Branch: No. 929, Zhongzheng Rd., Miaoli, Miaoli		(037)361-333
Taichung Li Ming Branch: No. 726, Datun 11 <sup>th</sup> St., Nantun Dist., Taichung		(04)2254-3377
Sanxia Wenhua Branch: No.59, Wenhua Rd., Sanxia Dist., New Taipei City		(02)26729911
Chiayi Minxiong Branch: No.48, Shengping Rd., Minxiong Township, Chiayi		(05)2066677
Taichung Dongshi Branch: No.558, Fengshi Rd., Dongshi Dist., Taichung		(04)25771717
Xinying Zhongshan Branch: No.113, Zhongshan Rd., Xinying Dist., Tainan		(06)6333322
Zhubei Guangming Branch: No.7, Guangming 3rd Rd., Zhubei City, Hsinchu		(03)5510055
Changhua Minzu Branch: No.221, Minzu Rd., Changhua City, Changhua		(04)7277722
Taoyuan Dayuan Branch: No.99, Zhongzheng E. Rd., Dayuan Township, Taoyuan		(03)3862266
Yuanlin Zhongzheng Branch: No.672, Zhongzheng Rd., Yuanlin Township, Changhua		(04)8337788
Tainan Jinhua Branch: No.168, Sec. 3, Jinhua Rd., West Central Dist., Tainan		(06)2207373
Banqiao Nanya Branch: No.55, Sec. 1, Nanya S. Rd., Banqiao Dist., New Taipei City		(02)29688555
Kaohsiung Linyuan Branch: No.46, Ren'ai Rd., Linyuan Dist., Kaohsiung		(07)6433366
Tainan Zhongzheng Branch: No.246, Zhongzheng Rd., West Central Dist., Tainan		(06)2240666
Changhua Jinma Branch: No.1, Sec. 2, Jinma Rd., Changhua City, Changhua		(04)7367755
Penghu Beichen Branch: No.8, Beichen St., Magong City, Penghu		(06)9279911
Hsinchu Xuefu Branch: No.130, Xuefu St., Xinfeng Township, Hsinchu		(03)5575999
Kaohsiung Xintian Branch: No.168, Xintian Rd., Xinxing Dist., Kaohsiung		(07)2822277
Huwei Linsen Branch: No.154, Sec. 2, Linsen Rd., Huwei Township, Yunlin		(05)6366633
Changhua Shengang Branch: No.55, Xinyi Rd., Shengang Township, Changhua		(04)7982626
Yunlin Mailiao Branch: No.377, Zhongshan Rd., Mailiao Township, Yunlin		(05)6937733
Tianzhong Zhongzhou Branch: No.123, Sec. 1, Zhongzhou Rd., Tianzhong Township, Changhua		(04)8752266
Taoyuan Zhongzheng Branch: 2F., No.60, Zhongzheng Rd., Taoyuan Dist., Taoyuan		(03)3386565
Kaohsiung Dream Mall Branch7F., No.789, Zhonghua 5th Rd., Qianzhen Dist., Kaohsiung		(07)8232266
Zuoying Hua Xia Branch:No.636, Huaxia Rd., Zuoying Dist., Kaohsiung		(07)3495522
Gangshan Liuqiao Branch:No.2, Liuqiao W. Rd., Gangshan Dist., Kaohsiung		(07)6253366
Shalu Guanhua Branch: No.308-5, Guanhua Rd., Shalu Dist., Taichung		(04)26626633
Fengyuan Xiangyang Branch: No.227, Xiangyang Rd., Fengyuan Dist., Taichung		(04)25151155
YongKang Zhongzheng Branch: No.646, Zhongzheng S. Rd., Yongkang Dist., Tainan		(06)2542255
Kaohsiung San Duo Branch:No.225, Sanduo 3rd Rd., Qianzhen Dist., Kaohsiung		(07)3352266
Kaohsiung Mingchen Branch: No.369, Mingcheng 2nd Rd., Zuoying Dist., Kaohsiung		(07)5507722
Wugu Gongshang Branch: No.90, Gongshang Rd., Wugu Dist., New Taipei City		(02)22929933
Tucheng Yumin Branch: No.165, Yumin Rd., Tucheng Dist., New Taipei City		(02)22647272
Tamsui Zhongshan Branch: No.96, Sec. 2, Zhongshan N. Rd., Tamsui Dist., New Taipei City		(02)26230303
Taichung Henan Branch: No.466, Sec. 2, Henan Rd., Xitun Dist., Taichung		(04)27076688
Dajia Yude Branch: No.228, Yude Rd., Dajia Dist., Taichung		(04)26882266
Gangshan Zhongshan N. Branch: No.79, Zhongshan N. Rd., Gangshan Dist., Kaohsiung		(07)6246633
Xiluo Gongzheng Branch: No.137, Gongzheng Rd., Xiluo Township, Yunlin		(05)5870077
Kaohsiung Wannei Branch: No.63, Dashun 2nd Rd., Sanmin Dist., Kaohsiung		(07)3841616
Taoyuan Pingzhen Branch: No.71, Sec. 3, Huannan Rd., Pingzhen Dist., Taoyuan		(03)4687676
Xizhi Farglory Branch: 2F., No.97, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City		(02)26973737
Taoyuan Daxing Branch: No.175, Sec. 1, Daxing W. Rd., Taoyuan Dist., Taoyuan		(03)3169777
Sanchong Renai Branch: Aly. 6, Ln. 255, Xiwei St., Sanchong Dist., New Taipei City		(02)29810101
Zhubei Ziqiang Branch: No.107, Ziqiang S. Rd., Zhubei City, Hsinchu		(03)5506262
Taipei Dongmen Branch: B1F., No.230, Sec. 2, Xinyi Rd., Da'an Dist., Taipei		(02)23956677

Business unit	Address	Telephone
Nanzi Dexian Branch: No.211, Dexian Rd., Nanzi Dist., Kaohsiung		(07)3602266
Changhua Xihu Branch: No.312, Donghuan Rd., Xihu Township, Changhua		(04)8610011
Songshan Raohe Branch: No.660, Sec. 4, Bade Rd., Songshan Dist., Taipei City		(02)-25281166
Changhua Hemei Branch: No.360, Sec. 6, Luhe Rd., Hemei Township, Changhua County		(04)-7553388
Shinbei Zhonghe Branch: No.25, Zhonghe Rd., Zhonghe Dist., New Taipei City		(02)-22441177
Erlin Douyuan Branch: No.2, Changqing Rd., Erlin Township, Changhua County		(04)-8951100
Renwu Renxiong Branch: No.38-5, Renxiong Rd., Renwu Dist., Kaohsiung City		(07)-3745252
Tainan Beimen Branch: 1-3F., No.101, Sec. 1, Beimen Rd., West Central Dist., Tainan City		(06)-2232626
Kaohsiung Dingshan Branch: 1-2F., No.251, Dingshan St., Sanmin Dist., Kaohsiung City		(07)-3985522
Donghu Kangning Branch: B1-2F., No.72, Sec. 3, Kangning Rd., Neihu Dist., Taipei City		(02)-26319191
Taichung Beitun Branch: 1-2F., No.275, Beitun Rd., Beitun Dist., Taichung City		(04)-22375656
Wenxin Shanxi Branch: No.196, Sec. 4, Wenxin Rd., North Dist., Taichung City		(04)-22926060
Yongkang Zhongshan S. Branch: No.692, Zhongshan S. Rd., Yongkang Dist., Tainan City		(06)-2036060
Shilin Zhishan Branch: 1-3F., No.1, Sec. 6, Zhongshan N. Rd., Shilin Dist., Taipei City		(02)-28359292
Yongkang Kunshan Branch: No.785, Dawan Rd., Yongkang Dist., Tainan City		(06)-2729955
Chiayi Xinmin Branch: No.689, Xinmin Rd., West Dist., Chiayi City		(05)-2367722
Chiayi Puzi Branch: No.102-3, Shantong Rd., Puzi City, Chiayi County		(05)-3701313
Kaohsiung Jiangong Branch: No.501, Jiangong Rd., Sanmin Dist., Kaohsiung City		(07)-3806161
Changhua Xiushui Branch: No.677, Sec. 2, Zhangshui Rd., Xiushui Township, Changhua County		(04)-7696969
Hsinchu Guangfu Branch: No.560, Sec. 1, Guangfu Rd., East Dist., Hsinchu City		(03)-6662121
Hsinchu Qinghua Branch: 1-2F., No.151, Sec. 2, Guangfu Rd., East Dist., Hsinchu City		(03)-5720101
Dali Guoguang Branch: No.568, Sec. 2, Guoguang Rd., Dali Dist., Taichung City		(04)-24810505
Taipei Linsen Branch: 1F., No.487, Linsen N. Rd., Zhongshan Dist., Taipei City		(02)-25620033
Kaohsiung Taroko park Branch: 1F., No.100, Zhongshan 4th Rd., Qianzhen Dist., Kaohsiung City		(07)-7915050
Renwu Bade Branch: No.72, Bade Central Rd., Renwu Dist., Kaohsiung City		(07)-3729977
Zhongxiao Yongchun Branch: 1F., No.297-1, Sec. 5, Zhongxiao E. Rd., Taipei City		(02)-27652323
Kaohsiung Qixian Branch: No.186, Qixian 2nd Rd., Qianjin Dist., Kaohsiung City		(07)-2886161
Banqiao Shuangshi Branch: No.157, Sec. 2, Shuangshi Rd., Banqiao Dist., New Taipei City		(02)-22521010
Hualien Jian Branch: No.217, Sec. 2, Zhongshan Rd., Ji'an Township, Hualien County		(03)-8526161
THSR Zuoying Branch: No.1350, Huaxia Rd., Zuoying Dist., Kaohsiung City		(07)-3430202
Zhongli Zhonghua Branch: No.677, Sec. 1, Zhonghua Rd., Zhongli Dist., Taoyuan City		(03)-4332233
Taichung Dali Branch: No.480, Sec. 2, Zhongxing Rd., Dali Dist., Taichung City		(04)-24860606
Kaohsiung Meishu E. Branch: No.11, Meishu E. 2nd Rd., Gushan Dist., Kaohsiung City		(07)-5225353
Houlong Zhonghua Branch: 1&2F., No.46-40, Zhonghua Rd., Houlong Township, Miaoli County		(037)-725577
Taoyuna Fuxing Branch: No.375-379, Fuxing Rd., Taoyuan Dist., Taoyuan City		(03)-3320101
Zhonghe Juguang Branch: No.63, Juguang Rd., Zhonghe Dist., New Taipei City		(02)-82215252
Nantou Mingjian Branch: 1F., No.46, Zhongnan Rd., Mingjian Township, Nantou County		(049)-2738383
Keelung E-square Branch: 1F., No.236, Ren 2nd Rd., Ren'ai Dist., Keelung City		(02)-24279090
Fengjia Fuxing Branch: No.562-1, Fuxing Rd., Xitun Dist., Taichung City 407, Taiwan (R.O.C.)		(04)-24515577
Changhua Shetou Branch: No.139, Sec. 2, Yuanji Rd., Shetou Township, Changhua County		(04)-8720101
Xinzhuan Jianguo Branch: No.57, Jianguo 1st Rd., Xinzhuan Dist., New Taipei City		(02)-29037070
Yilan Shennong Branch: No.51-53, Sec. 2, Shennong Rd., Yilan City, Yilan County		(03)-9368888
Tainan Xinhua Branch: No.35, Zhongxiao Rd., Xinhua Dist., Tainan City		(06)-5902699
Taichung Lingdong Branch: No.356, Lingdong Rd., Nantun Dist., Taichung City		(04)-23862255
Guishan Wanshou Branch: No.1, Ln. 769, Sec. 2, Wanshou Rd., Guishan Dist., Taoyuan City		(03)-3592266
Taishan Renai Branch: No.157, Ren'ai Rd., Taishan Dist., New Taipei City		(02)-22976565
Zhongli Xinsheng Branch: 1F., No.65, Xinsheng Rd., Zhongli Dist., Taoyuan City		(03)-4279898
Changhua Huatan Branch: No.57-2, Zhongzheng Rd., Huatan Township, Changhua County		(04)-7860808
Tainan Hewei Branch: No.305, Sec. 4, Hewei Rd., West Central Dist., Tainan City		(06)-3582266
Tainan Xinshi Branch: No. 57, Zhongzheng Rd., Xinshi Dist., Tainan City		(06)-5891212
Hualien Yuli Branch: No. 127, Guangfu Rd., Yuli Township, Hualien County		(03)-8889797
Zhongxiao Mingyao Branch: No. 218, Sec.4, Zhongxiao E. Rd., Da'an Dist., Taipei City		(02)-27415050
Taichung Wuri Branch: No. 1-1, Sec. 1, Fuxing Rd., South Dist., Taichung City		(04)-22616611
Bade Xingfeng Branch: 1F&2F, No. 500, Xingfeng Rd., Bade Dist., Taoyuan City		(03)-3650033
Taichung Shengang Branch: No. 29-2, Minsheng Rd., Shengang Dist., Taichung City		(04)-25616262
Yangmei Puxin Branch: 1&2F, No. 257, Sec. 2, Zhongshan N. Rd., Yangmei Dist., Taoyuan City		(03)-4315566
Taoyuan Guanyin Branch: No. 837, Sec. 2, Zhongshan Rd., Guanyin Dist., Taoyuan City		(03)-2820055
Taipei Guting Branch: 1F, No. 100, Sec. 2, Roosevelt Rd., Zhongzheng Dist., Taipei City		(02)-23659977
Taipei Zhanqian Branch: B1F., No. 2, Sec. 1, Kaifeng St., Zhongzheng Dist., Taipei City		(02)-23715858
Taichung Taiping Branch: No. 726, Taiping Rd., Taiping Dist., Taichung City		(04)-22731717
Hsinchu Shipin Branch: No. 190, Shipin Rd., East Dist., Hsinchu City		(03)-5623388
Taichung Zhongqing Branch: No. 766, Sec. 2, Zhongqing Rd., Beitun Dist., Taichung City		(04)-22956565
Taichung Qingshui Branch: 1F., No. 243, Zhongshan Rd., Qingshui Dist., Taichung City		(04)-26220022
Kaohsiung Yida Branch: B1F., No. 12, Sec. 1, Xuecheng Rd., Dashu Dist., Kaohsiung City		(07)-6569090
Taichung Dadu Branch: No. 747, Sec. 2, Shatian Rd., Dadu Dist., Taichung City		(04)-26997676

Business unit	Address	Telephone
Hsinchu Xinpu Branch: No. 147&149, Zhongzheng Rd., Xinpu Township, Hsinchu County		(03)-5892266
Xizhi Datong Branch: No. 747, Sec. 2, Datong Rd., Xizhi Dist., New Taipei City		(02)-26478585
Shalu Zhennan Branch: No. 638, Sec. 2, Zhennan Rd., Shalu Dist., Taichung City		(04)-26631010
Beitun Dongshan Branch: No. 213-5, Sec. 1, Dongshan Rd., Beitun Dist., Taichung City		(04)-24379393
Kinmen Boyu Branch: 1~2F., No. 232, Sec. 1, Boyu Rd., Jinning Township, Kinmen County		(082)-325050
Taichung Taroko Branch: 8F., No. 186, Sec. 4, Fuxing Rd., East Dist., Taichung City		(04)-22272323
Kaohsiung Wenxin Branch: No. 337, Wenxin Rd., Gushan Dist., Kaohsiung City		(07)-5537070
Taichung Houli Branch: No. 563, Sec. 1, Jiahou Rd., Houli Dist., Taichung City		(04)-25586262
Caotun Bishan Branch: B1F., No. 78, Bishan Rd., Caotun Township, Nantou County		(049)-2302121
Kaohsiung Daliao Branch: No. 771-1&771-2, Fenglin 3rd Rd., Daliao Dist., Kaohsiung City		(07)-7830707
Pingtung Hengchun Branch: No.106, Shengbei Rd., Hengchun Township, Pingtung County		(08)-8897979
Dashe Zhongshan Branch: No.435-8, Zhongshan Rd., Dashe Dist., Kaohsiung City		(07)-3543535
Tamsui Mangrove Branch: No.12, Sec. 2, Zhongzheng E. Rd., Tamsui Dist., New Taipei City		(02)-28092323
Luzhou Jixian Branch: No.399, Jixian Rd., Luzhou Dist., New Taipei City		(02)-22892121
Chiayi Zhongxing Branch: No.217, Zhongxing Rd., West Dist., Chiayi City		(05)-2338989
Xinzhuang Zhongyuan Branch: No.488, Zhongyuan Rd., Xinzhuang Dist., New Taipei City		(02)-85211010
Taoyuan Zhongzhen 2 Branch: 1F., No.430, Zhongzheng Rd., Taoyuan Dist., Taoyuan City		(03)-3329292
Taichung Gongyi Branch: No.183.185.187, Gongyi Rd., West Dist., Taichung City		(04)-23026662
Taipei Ximen Branch: 1F., No.98-4, Kunming St., Wanhua Dist., Taipei City		(02)-23753131
Taipei Gongguan Branch: No.184-4, Sec. 3, Tingzhou Rd., Zhongzheng Dist., Taipei City		(02)-23633232
Chiayi Shuishang Branch: No.260, Zhongxing Rd., Shuishang Township, Chiayi County		(05)-2600699
Taipei Nanjing E. Branch: 1~3F., No.15, Sec. 2, Nanjing E. Rd., Zhongshan Dist., Taipei City		(02)-25678080
Taipei Nanjing W. Branch: 1F., No.1, Nanjing W. Rd., Zhongshan Dist., Taipei City	10444	(02)-25217575
Taipei University Branch: 1F., No.540, Xuecheng Rd., Shulin Dist., New Taipei City	23854	(02)-89701212
Amart Fuxing Branch: 3F., No.359, Sec. 1, Fuxing Rd., South Dist., Taichung City	40256	(04)-22625055
Miaoli Yuanli Branch: 3F., No.33, Weigong Rd., Yuanli Township, Miaoli County	35843	(037)-853838
Nangang HSR Branch: 3F., No.369, Sec. 7, Zhongxiao E. Rd., Nangang Dist., Taipei City	11561	(02)-26513030
Tainan Anhe Branch: 3F., No.169, Sec. 5, Anhe Rd., Annan Dist., Tainan City	70959	(06)-3559898
Zhongli Longdong Branch: 3F., No.43, Longdong Rd., Zhongli Dist., Taoyuan City	32092	(03)-4567997
Xindian Baoqiao Branch: 1~2F., No.100, Baoqiao Rd., Xindian Dist., New Taipei City	23145	(02)-29117373
Showtimes Wenxin Branch: 5F., No.289, Wenxin S. Rd., Nantun Dist., Taichung City	40854	(04)-24715252
Lihpao Resort Branch: No.181, Sec. 2, Yuemei E. Rd., Houli Dist., Taichung City	42145	(04)-25586667
Carrefour Xinren Branch: No.755, Sec. 3, Datong Rd., Rende Dist., Tainan City	71746	(06)-2891717
Zhubei Weishun Branch: B1F No.168, Sec. 2, Fuxing 3rd Rd., Zhubei City, Hsinchu County	30273	(03)-6583737
Linkou Wenhua Branch: No.107, Sec. 1, Wenhua 3rd Rd., Linkou Dist., New Taipei City	24448	(02)-26097373
Fengyuan Chenggong Branch: No.219, Chenggong Rd., Fengyuan Dist., Taichung City	42053	(04)-25251798
Beitou Zhonghe Branch: No. 366 and No. 366-1, Zhonghe Street, Beitou District, Taipei City.		(02)-28979900
Showtime Shulin Branch: No. 40-6, Shuxin Road, Shulin District, New Taipei City.		(02)-26820121
Luzhu Nanzhu Branch: No. 27, 29, and 31, Section 1, Nanzhu Road, Luzhu District, Taoyuan City.		(03)-2120808
Beiyi Zhuangjing Branch: No. 330, Zhuangjing Road, Xinyi District, Taipei City.		(02)-27208800
Chung Hsiao Fuxing Branch: No. 303 and No. 305, 1st and 2nd floors, Section 3, Zhongxiao East Road, Da'an District, Taipei City.		(02)-27726262
Dazhu Daxin Branch: No. 21 and No. 21-1, Daxin Road, Luzhu District, Taoyuan City.		(03)-3131313
Taichung Fuko Branch: No. 495, Fuko Road, Xitun District, Taichung City.		(04)-24650200
Yunlin Dounan Branch: No. 64, Nanchang Road, Dounan Township, Yunlin County.		(05)-5955050
Changchun Liaoning Branch: No. 350-1, Changchun Road, Zhongshan District, Taipei City.		(02)-27171010
Carrefour Chingchuang Branch: No. 330, Chingchuang Road, Xinyi District, Taipei City.		(03)-3552477
Jiayi Guohua Branch: No. 218, Guohua Street, West District, Jiayi City.		(05)-2287070
Sanchong Zhengyi Branch: No. 63, 65, 67, Zhengyi North Road, Sanchong District, New Taipei City.		(02)-29853030
Taichung Zhongzheng Branch: No. 238, Section 1, Taiwan Boulevard, Central District, Taichung City.		(04)-22238080
Taiping Shuxiao Branch: No. 409, 411, Shuxiao Road, Taiping District, Taichung City.		(04)-23916262
Kaohsiung Luzhu Branch: No. 888, Zhongshan Road, Luzhu District, Kaohsiung City.		(07)-6960707
Xinzhuang Xinfu Branch: No. 2 and No. 4, 1st and 2nd floors, No. 6, 2nd floor, No. 8, 2nd floor, Xinfu Road, Xinzhuang District, New Taipei City.		(02)-22760909
Hsinchu Guanxin Branch: No. 22, Guanxin Road, East District, Hsinchu City.		(03)-5780505
Kaohsiung Nanzu Branch: No. 67, Jiannan Road, Nanzu District, Kaohsiung City.		(07)-3523030
Jiayi Wufeng Branch: No. 405, Wufeng South Road, East District, Jiayi City.		(05)-2238080
Pingtung Neipu Branch: No. 678, Xueren Road, Neipu Township, Pingtung County.		(08)-7690080
Luzhou Zhongshan Branch: No. 290, Zhongshan 2nd Road, Luzhou District, New Taipei City.		(02)-82835600
Yilan Suao Branch: No. 277, 279, Section 1, Zhongshan Road, Suao Township, Yilan County.		(03)-9961010
Showtime Station Front Branch: No. 66, Nanjing Road, East District, Taichung City.		(04)-22120010
Zhongli Chongguang Branch: No. 357, Yuanhua Road, 10th floor, Zhongli District, Taoyuan City.		(03)-4251800
Xindian Xiaobitan Branch: No. 159, Zhongyang Road, 2nd floor, Xindian District, New Taipei City.		(02)-89136890
Yangmei Zhongshan Branch: No. 298, Section 1, Zhongshan North Road, Yangmei District, Taoyuan City.		(03)-4752525
Xindian Bitan Branch: No. 16, Section 1, Beiyi Road, 2nd floor, Xindian District, New Taipei City.		(02)-29181120

Business unit	Address	Telephone
Taipei Beitou Branch: No. 9, Section 2, Beitou Road, Basement 1, Beitou District, Taipei City.		(02)-28920800
Pingzhen Huannan Branch: No. 200, Huannan Road, Pingzhen District, Taoyuan City.		(03)-4010300
Danshui Yingzhuan Branch: No. 41, Yingzhuan Road, 1st and 2nd floors, and Basement, Danshui District, New Taipei City.		(02)-26227070
Taipei Jingmei Branch: No. 130, Jinghou Street, Wenshan District, Taipei City.		(02)-29300330
Yilan Jiaosi Branch: No. 188, Section 2, Zhongshan Road, Jiaosi Township, Yilan County.		(03)-9885220
Danao International Branch: No. 13, Guolong Village, International Road, Bade District, Taoyuan City.		(03)-3679393
Liujia Zhongzheng Branch: No. 589, 591, Zhongzheng Road, Liujia District, Tainan City.		(06)-6988870
Rende Zhongzheng Branch: No. 920, Section 2, Zhongzheng Road, Rende District, Tainan City.		(06)-2708955
Taipei Linjiang Branch: No. 87, Linjiang Street, Basement 1, Da'an District, Taipei City.		(02)-23258080
Taipei TTV Branch: No. 10, Section 3, Bade Road, Songshan District, Taipei City.		(02)-25792577
Xiaogang Kongfeng Branch: No. 552, Kongfeng Road, Xiaogang District, Kaohsiung City.		(07)-7917787
Banqiao Zhongshan Branch: No. 23, Section 1, Zhongshan Road, Banqiao District, New Taipei City.		(02)-29598818
Tainan Beian Branch: No. 12, 22, Section 3, Beian Road, Anping District, Tainan City.		(06)-2558898
Universal Qingpu Branch: No. 352, Section 2, Gao Tie South Road, 2nd floor, Zhongli District, Taoyuan City.		(03)-2876800
Nantou Shuili Branch: No. 190, Section 1, Zhongshan Road, Shuili Township, Nantou County.		(04)-2778801
Yongkang Yongda Branch: No. 62, 66, Section 3, Yongda Road, Yongkang District, Tainan City.		(06)-2038858
Yilan Xinyue Branch: No. 6, Lane 38, Section 2, Minquan Road, Yilan City, Yilan County.		(03)-9328599
Baihe Zhongshan Branch: No. 1-4, Zhongshan Road, Baihe District, Tainan City.		(06)-6856855
Keelung Xinfeng Branch: No. 460, Xinfeng Street, Basement, Zhongzheng District, Keelung City.		(02)-24699800
Zhongli Huanzhong Branch: No. 277, 279, Huanzhong East Road, Zhongli District, Taoyuan City.		(03)-2853585
Jiayi Nais Branch: No. 600, Zhongxiao Road, 5th floor, East District, Jiayi City.		(05)-2789992
Taipei Beitou Branch: No. 365, Mingde Road, Beitou District, Taipei City.		(02)-28218883
Taipei Ruifang Branch: No. 5, Minsheng Street, Ruifang District, New Taipei City.		(02)-24063588
Daxi Yuanlin Branch: No. 156, 160, Section 1, Yuanlin Road, Daxi District, Taoyuan City.		(03)-3908801
Meinong Tai'an Branch: No. 9, Tai'an Road, Meinong District, Kaohsiung City.		(07)-6818801
Tainan Yanshui Branch: No. 34, 36, 38, Sanfu Road, Yanshui District, Tainan City.		(06)-6521121
Wandan Xihuan Branch: No. 699, Xihuan Road, Wandan Township, Pingtung County.		(08)-7763622
Pingtung Ligang Branch: No. 27-5, 27-6, 27-7, 27-8, 27-9, Zhongshan Road, Ligang Township, Pingtung County.		(08)-7752202
Showtime Gangshan Branch: No. 1, Lane 2, Jie'an Road, Gangshan District, Kaohsiung City.		(07)-6259755
Taoyuan Taoyuan Branch: No. 112, Section 1, Nankan Road, Basement 2, Luzhu District, Taoyuan City.		(03)-3113011
Keelung Nuannuan Branch: No. 168, 170, Nuannuan Street, Nuannuan District, Keelung City.		(02)-24588001
Beitou Central North Branch: No. 532, Section 4, Zhongyang North Road, 1st floor, Beitou District, Taipei City.		(02)-28988633
Miaoli Tongxiao Branch: No. 131, Zhongshan Road, Tongxiao Township, Miaoli County.		(03)-7-763688
Banqiao Global Branch: No. 7, Section 2, County Road, Basement 1, Banqiao District, New Taipei City.		(02)-29688900
Hukou Zhongshan Branch: No. 778, 780, 782, 786, Section 1, Zhongshan Road, Hukou Township, Hsinchu County.		(03)-5906001
Taichung Jindian Branch: No. 1049, Jianxing Road, B1, West District, Taichung City.		(04)-23235100
Chiayi Jianguo Branch: No. 207, Section 1, Jianguo Road, Ji'an Township, Hualien County.		(03)-8560966
Dajia Jiangong Branch: No. 6, 8, Jiangong Road, Dajia District, Taichung City.		(04)-26801110
Pingzhen Zhongfeng Branch: No. 92, Section 2, Nanshi Road, Pingzhen District, Taoyuan City.		(03)-4391299
Hualien Zhongzheng II Branch: No. 192, Zhongzheng Road, Hualien City, Hualien County.		(03)-8360009
Pingtung Ziyou II Branch: No. 482, Ziyou Road, Pingtung City, Pingtung County.		(08)-7666336
Taoyuan Dajiang Branch: No. 501, Section 2, Zhongyuan Road, Zhongli District, Taoyuan City.		(03)-4680300
Pingzhen Yanping Branch: No. 2, Section 1, Yanping Road, Pingzhen District, Taoyuan City.		(03)-4251121
Taoyuan Long'an Branch: No. 138, Long'an Street, Taoyuan District, Taoyuan City.		(03)-3690933
Changhua Changnan Branch: No. 108, Section 1, Changnan Road, Changhua City, Changhua County.		(04)-7371911
Yingge Jianshan Branch: No. 92, 94, 96, 98, 100, 102, Jianshan Road, Yingge District, New Taipei City.		(02)-26780667
Beitun Jiushe Branch: No. 1173, 1175, Section 1, Songzhu Road, Beitun District, Taichung City.		(04)-24350883
Showtime Chiayi Branch: No. 299, Wenhua Road, West District, Jiayi City.		(05)-2165998
Longshan Nanxiang Branch: No. 29, Nanxiang Road, Guishan District, Taoyuan City.		(03)-2220021
Hualien Fuchien Branch: No. 578, 580, Fuqian Road, Hualien City, Hualien County.		(03)-8221322
Fengshan Jingwu Branch: No. 152, Jingwu Road, Fengshan District, Kaohsiung City.		(07)-7992289
Pingzhen Nanfeng Branch: No. 37, Nanfeng Road, Pingzhen District, Taoyuan City.		(03)-4690633
Xindian Minquan Branch: No. 50, Minquan Road, 1st floor, Xindian District, New Taipei City.		(02)-29112099
Keelung Chenggong Branch: No. 144, Section 1, Chenggong 1st Road, Keelung City.		(02)-24333400
Qingpu Linghang North Branch: No. 237, Section 3, Linghang North Road, Dayuan District, Taoyuan City.		(03)-2871811
Xuejia Zhongzheng Branch: No. 267, 269, Zhongzheng Road, Xuejia District, Tainan City.		(06)-7832263
Far Eastern Chenggong Branch: No. 210, Qianfeng Road, Dong District, Tainan City.		(06)-2092227
Kaohsiung Dream Mall Branch: No. 21, Sanduo 4th Road, Lingya District, Kaohsiung City.		(07)-3300300
Toucheng Qingyun Branch: No. 378, Section 3, Qingyun Road, Toucheng Township, Yilan County.		(03)-9770337
Xinyi Songshou Branch: No. 12, Songshou Road, Xinyi District, Taipei City.		(02)-27232229

Business unit	Address	Telephone
Bade Yiyong Branch: No. 68, Yiyong Street, Bade District, Taoyuan City.		(03)-3671119
Dalu Guanya Nan'ya Branch: No. 91-2, Nanya Street, North District, Hsinchu City.		(03)-5152242
Hsinchu Far Eastern Branch: No. 323, Xida Road, East District, Hsinchu City.		(03)-5260065
Toufen Zhongyang Branch: No. 699, Zhongyang Road, Toufen City, Miaoli County.		(03)-7-622667
Taichung Xiangxin Branch: No. 458, 458-1, Section 2, Nanxun Road, South District, Taichung City.		(04)-24752500
Yanchao Zhongmin Branch: No. 896, 898, Zhongmin Road, Yanchao District, Kaohsiung City.		(07)-6160266
Neihu Chenggong Branch: No. 16, Lane 16, Section 4, Chenggong Road, B1, Neihu District, Taipei City.		(02)-27910003
Taoyuan Dehua Branch: No. 8, 10 Dehua Street, Taoyuan District, Taoyuan City		(03)-3603677
Keelung Ai Wu Branch: 1st and 2nd Floor, No. 34, Ai Wu Road, Ren'ai District, Keelung City		(02)-24260633
Xinwu Zhongshan Branch: No. 457-5, Zhongshan Road, Xinwu District, Taoyuan City		(03)-4771977
Minxiong Jianguo Branch: 1st Floor, No. 259, Section 1, Jianguo Road, Minxiong Township, Chiayi County		(05)-2266881
Takashimaya Tianmu Branch: No. 55, Section 2, Zhongcheng Road, Shilin District, Taipei City		(02)-28330044
Carrefour Zhongli Branch: No. 510, Section 2, Zhongshan East Road, Zhongli District, Taoyuan City		(03)-4561121
Tucheng Jincheng Branch: No. 185, Section 1, Jincheng Road, Tucheng District, New Taipei City		(02)-22638588
Shalu Yingcai Branch: No. 60, Yingcai Road, Shalu District, Taichung City		(04)-26335955
Niaosong Zhongzheng Branch: No. 142-42, Zhongzheng Road, Niaosong District, Kaohsiung City		(07)-7323331
Toufen Shangshun 2nd Branch: No. 6, Yule Street, Toufen City, Miaoli County		(03)-7-682929
Taipei Neihu Branch: No. 337, Section 1, Neihu Road, Neihu District, Taipei City		(02)-26575525
Taichung Hankou 2nd Branch: No. 389, Section 4, Hankou Road, North District, Taichung City		(04)-22376767
Taichung Hankou 3rd Branch: No. 182, 184, 186, 188, Section 2, Hankou Road, Xitun District, Taichung City		(04)-23123323
Taichung Zhongxiao Branch: No. 173, Zhongxiao Road, South District, Taichung City		(04)-22851211
Taiping Huanchung 1st Branch: No. 567, 569, 571, 573, 575, Section 3, Huanchung East Road, Taiping District, Taichung City		(04)-23927070
Jiali Zhongshan Branch: No. 155, Zhongshan Road, Jiali District, Tainan City		(06)-7236233
Carrefour Pingzhen Branch: No. 1, Kunqing Road, Pingzhen District, Taoyuan City		(03)-4191110
Taichung Ziyuan Branch: No. 278, Section 4, Ziyuan Road, East District, Taichung City		(04)-22130900
Longjing Xinxing Branch: No. 40-16, 40-17, Xinxing Road, Longjing District, Taichung City		(04)-26335515
Douliu Zhenbei Branch: No. 118, Zhenbei Road, Douliu City, Yunlin County		(05)-5320110
Zhubei Sanmin 2nd Branch: No. 421, 423, 425, Sanmin Road, Zhubei City, Hsinchu County		(03)-5556222
Xinzhuang Minan Branch: 1st Floor, No. 177, Minan Road, Xinzhuang District, New Taipei City		(02)-22080008
Xindian Yulon City Branch: 5th Floor, No. 70, Section 3, Zhongxing Road, Xindian District, New Taipei City		(02)-89115557
Daya Zhongqing 2nd Branch: No. 1069, Section 3, Zhongqing Road, Daya District, Taichung City		(04)-25678080
Taipei Chongqing North Branch: 1st, 2nd Floor, No. 67, Section 1, Chongqing North Road, Datong District, Taipei City		(02)-25508858
Taoyuan Zhongshan East Branch: No. 32-10, 32-11, Zhongshan East Road, Taoyuan District, Taoyuan City		(03)-3311006
Tainan Wannian Branch: No. 272, Wannian 5th Street, Nan District, Tainan City		(06)-2620500
Bali Longmi Branch: No. 189, Section 1, Longmi Road, Bali District, New Taipei City		(02)-26185595
Xiluo Zhongshan Branch: No. 243, 245, Zhongshan Road, Xiluo Township, Yunlin County		(05)-5883900
Taichung Henan 2nd Branch: No. 451, 453, Section 2, Henan Road, West District, Taichung City		(04)-27065558
Shalu Xiangshang Branch: No. 110, Section 7, Xiangshang Road, Shalu District, Taichung City		(04)-26367677
Kaohsiung Rongzong Branch: No. 151-12, Hogang Lane, Renwu District, Kaohsiung City		(07)-3100223
Danshui Zhongzheng Branch: No. 17, Zhongzheng Road, Danshui District, New Taipei City		(02)-26265557
Taipei Minsheng West Branch: 1st Floor, No. 300-3, Minsheng West Road, Datong District, Taipei City		(02)-25556636
Caotun Zhongxing Branch: No. 96, Zhongxing Road, Caotun Township, Nantou County		(04)-2365900
Tainan Yonghua Branch: No. 466, Section 2, Yonghua Road, Anping District, Tainan City		(06)-2952112
Hsinchu Dongmen 2nd Branch: No. 56, Dongmen Street, East District, Hsinchu City		(03)-5266610
Sanchong Chongxin Branch: No. 27, Section 3, Chongxin Road, Sanchong District, New Taipei City		(02)-29881119
Hualien New Paradise Branch: No. 503, Section 1, Nanbin Road, Jian Township, Hualien County		(03)-8422122
Taoyuan Ciwen Branch: No. 727, 729, Ciwen Road, Taoyuan District, Taoyuan City		(03)-3603335
Yilan Zhongshan Branch: No. 36, Section 2, Zhongshan Road, Yilan City, Yilan County		(03)-9333993
Rende Zhongshan Branch: No. 246, Zhongshan Road, Rende District, Tainan City		(06)-2705866
Pingtung Ziyu 1st Branch: No. 21, Taiyuan 1st Road, Pingtung City, Pingtung County		(08)-7660202
Douliu Zhennan Branch: No. 313, Zhennan Road, Douliu City, Yunlin County		(05)-5338883
Luzhou Chenggong Branch: No. 161, Chenggong Road, Luzhou District, New Taipei City		(02)-82856255
TTL Nankan Branch: No. 1, Zhongzheng Road, Luzhu District, Taoyuan City		(03)-3521121
Taipei Xinsheng South Branch: 1st Floor, No. 123, Section 1, Xinsheng South Road, Da'an District, Taipei City		(02)-27315355
Amituan Fengyuan Branch: No. 420, Shuiyuan Road, Fengyuan District, Taichung City		(04)-25251161
Luodong Guangrong Branch: No. 267, Guangrong Road, Luodong Township, Yilan County		(03)-9562322
Puli Zhongzheng Branch: No. 518, Zhongzheng Road, Puli Township, Nantou County		(04)-2996099
Changhua Zhonghua Branch: No. 76, Zhonghua Road, Changhua City, Changhua County		(04)-7286650
Guishan Ziqiang Branch: No. 758, Ziqiang South Road, Guishan District, Taoyuan City		(03)-3592226
Taichung Chongde Branch: No. 539, Section 3, Chongde Road, Beitun District, Taichung City		(04)-24212611
A.Mart Taoyuan Branch: No. 939, Zhongshan Road, Taoyuan District, Taoyuan City		(03)-2170233

Business unit	Address	Telephone
Pingtung Chaozhou Branch: No. 42, 42-1, 42-2, Xinsheng Road, Chaozhou Township, Pingtung County		(08)-7886565
Wufeng Zhongzheng Branch: No. 1057-1, Zhongzheng Road, Wufeng District, Taichung City		(04)-23327272
Xinshi Zhongzheng Branch: No. 67, Zhongzheng Road, Xinshi District, Tainan City		(06)-5990069
Xiushui Changshui Branch: No. 689, Section 2, Changshui Road, Xiushui Township, Changhua County		(04)-7688168
Xinfeng Zhongxing Branch: No. 48, Zhongxing Road, Xinfeng Township, Hsinchu County		(03)-5595050
Xitun Fuko Branch: No. 86, 88, Fuya Road, Xitun District, Taichung City		(04)-24650800
Luzhu Zhongshan Branch: No. 886, Zhongshan Road, Luzhu District, Kaohsiung City		(07)-6970303
Zhongli Neili Branch: No. 223, Zhongxiao Road, Zhongli District, Taoyuan City		(03)-4617070
Yongkang Yongda Branch: No. 1446, Section 2, Yongda Road, Yongkang District, Tainan City		(06)-2030100
Zhu Mountain Daming Branch: No. 42, Yuying Road, Jhushan Township, Nantou County		(04)-2630110
Erlin Erxi Branch: No. 62, Section 1, Erxi Road, Erlin Township, Changhua County		(04)-8950100
Taoyuan Chunday Branch: No. 529, Chunday Road, Taoyuan District, Taoyuan City		(03)-3350080
Zhubei Wenxing Branch: No. 291, 293, 295, Wenxing Road, Zhubei City, Hsinchu County		(03)-6681300
Nanzi Huimin Branch: No. 230, Huimin Road, Nanzi District, Kaohsiung City		(07)-3601990
Miaoli Guohua Branch: No. 1039, Guohua Road, Miaoli City, Miaoli County		(03)-7-370199
Yongkang Zhongzheng North Branch: No. 63, Zhongzheng North Road, Yongkang District, Tainan City		(06)-2533988
Bade Jieshou Branch: No. 598, 602, Section 2, Jieshou Road, Bade District, Taoyuan City		(03)-3658919
Kaohsiung Linyuan Branch: No. 39, Section 1, Fenglin Road, Linyuan District, Kaohsiung City		(07)-6428808
Taichung Chongde Branch: No. 219, Section 2, Chongde Road, Beitun District, Taichung City		(04)-22412889
Taichung Zhongqing Branch: No. 657, Section 1, Zhongqing Road, North District, Taichung City		(04)-22989890
Nanzi Xingnan Branch: No. 353, Xingnan Road, Nanzi District, Kaohsiung City		(07)-3528857
Taoyuan Qingpu Branch: No. 235, Section 3, Linghang North Road, Dayuan District, Taoyuan City		(03)-2873733
Yonghe Zhongshan Branch: No. 177, Section 1, Zhongshan Road, Yonghe District, New Taipei City		(02)-22317977