Stock Code: 1466

Acelon Chemicals & Fiber Co., Ltd.

2025 Annual Report

May 15, 2026

Website to Query Annual Report: 1. Market Observation Post System,
http://mops.twse.com.tw
2. Company's Official Website,
http://www.acelon.com.tw

I. Name, title and email of the Company's spokesperson:

Spokesperson:	Ming-Yi Lai
Job title:	Vice President of Sales
Telephone:	(04)8652321
Email address:	JASON@acelon.com.tw
Acting spokesperson	Mei-Hung Chang
Job title:	Director of Finance & Corporate Governance Officer
Telephone:	(04)7638869
Email address:	cmh@acelon.com.tw

II. Address and phone number of headquarters, subsidiaries and factories:

Acelon Chemicals & Fiber (Head office): No. 94, Fanjin Road, Puyan Township, Changhua County
Telephone: (04)8652321

Acegreen Eco-Material Technology Co., Ltd.: No. 50, Lane 20, Section 1, Nantong Road, Ershui Township, Changhua County
Telephone: (04)8796000

Acenature Biotechnology Co., Ltd. and Changhua Office: No. 105-4, Zhanglu Road, Changhua City, Changhua County
Telephone: (04)7638869

Puyan factory: No. 94, Fanjin Road, Puyan Township, Changhua County
Telephone: (04)8652321

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Douliu factory: No. 150, Dougong 10th Road, Douliu City, Yunlin County
Telephone: (05)5573030

III. Name, address and telephone of shareholder service agent:

Name: KGI Securities Co., Ltd.
Address: 5F., No. 2, Chongqing South Road, Section 1, Zhongzheng District, Taipei City
Telephone: (02)23892999
Website: http://www.kgi.com.tw/

IV. Name of auditors of the latest audited financial report, and name, address and telephone of the CPA firm:

Name of accountant:	Nien-Chieh Liao and Ching-Yi Chen
Name of accounting firm:	EnWise CPAs & Co.
Address:	8F-1, No. 130, Taiyuan North Road, North District, Taichung City
Telephone:	(04)22966234
Website:	http://www.enwise.com.tw

V. Name of overseas exchange where securities are listed, and the methods for inquiring the foreign-listed securities: NA.

VI. Company website: http://www.acelon.com.tw

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One.Letter to Shareholders

In 2025, the global economy continued to be impacted by U.S. tariff policies, geopolitical tensions, and inflationary fluctuations, leaving the trade outlook clouded with uncertainty. Coupled with the sluggish economic recovery in China and the lack of a significant rebound in overall terminal demand, both brand procurement decisions and consumer purchasing power have become increasingly conservative. Consequently, the recovery of the global textile industry continues to face significant challenges.

Acelon’s operating performance this year was affected by weakened industry demand, tariff adjustments, and exchange rate volatility, presenting considerable operational headwinds. Our management team will continue to refine product and market strategies in response to shifts in industrial structure and market dynamics, thereby laying a solid foundation for future growth.

Our subsidiary, Acegreen, which specializes in eco-friendly fibers, has achieved sustained growth in operating performance, driven by the increasing emphasis on sustainability and environmental issues among brands and consumers. This year, Acegreen successfully completed its registration on the Emerging Stock Market, marking its official entry into the capital markets. Beyond its core focus on eco-friendly fiber applications, Acegreen is actively investing in Textile-to-Textile (T2T) recycling and garment reconstruction technologies. These initiatives align with the long-term strategies of global brands regarding the circular economy and green supply chains. They also demonstrate the Group's growth potential in the field of sustainable development and represent a vital component of our long-term business strategy.

The Company’s consolidated operating revenue for the full year totaled NT$2,604,465 thousand, with a net loss attributable to owners of the parent of NT$119,032 thousand. A summary of the operating results for 2025 and the business plan for 2026 is provided below:

I. 2025 business report

(I) Operating results: The Company's consolidated net operating revenue for the year 2025 was NT$2,604,465 thousand, representing a decrease of NT$338,462 thousand compared to NT$2,942,927 thousand in 2024. The net loss attributable to the owners of the parent company for 2025 was NT$119,032 thousand, marking a decrease in earnings of NT$135,074 thousand compared to the net profit of NT$16,042 thousand in 2024. The 2025 loss per share after tax was NT$1.07.

Budget implementation: In accordance with the Regulations Governing the Publication of Financial Forecasts of Public Companies, the Company did not disclose financial forecast information for 2025, and there is no need to disclose the analysis data for the 2024 budget implementation.

(II) Financial income and expenses and profitability analysis:

Items to be analyzed \ Year			Financial analyses for the past five fiscal years				
			2021	2022	2023	2024	2025
Capital structure (%)	Debt to asset ratio		52.34	54.24	58.04	56.73	55.54
	Long-term fund to property, plant and equipment ratio		152.77	148.04	145.58	149.52	183.52
Profitability	Return on total assets (%)		5.58	(1.08)	(3.37)	1.31	(2.55)
	Return on equity (%)		10.68	(3.98)	(9.96)	1.18	(7.46)
	Percentage of paid-in capital (%)	Operating income	21.40	(10.72)	(13.91)	0.19	(0.08)
		Net income before taxes	17.67	(5.78)	(14.65)	0.91	(0.13)
	Net margin (%)		4.99	(2.40)	(6.17)	0.59	(4.48)
	Earnings per share (NT$)		1.60	(0.60)	(1.36)	0.14	(1.07)

Note: The above information is calculated based on the consolidated financial statements.

(III) Research and development status: The expenses for the year is NT$45,592 thousand, an decrease of 7.87% compared with NT$49,486 thousand in the previous year.

II. 2026 business plan

(I) Business guidelines:

Acelon adheres to the business philosophy of "Persistence in quality. Pursuit of excellence", and all employees continue to challenge themselves for growth amid the ever-changing business environment. We have continued to improve quality and strengthen R&D capabilities, and focused on customer and sales mix to increase revenue. We have offered more specialized services and extended to industries that can create more value, so as to promote our transformation and competitive advantage to achieve sustainability goals.

1. Business aspect:
   (1) Develop long-term and loyal customers and improve service quality for stable business performance and co-create new business opportunities.
   (2) Develop channels of brand owners, align upstream, midstream and downstream partners, and improve differentiated product portfolios for better performance goals.
   (3) Expand sales of new products to increase profitability.
   (4) Accelerate development of latest products to be added to the product line.
   (5) Commit to the development of eco-friendly and sustainable products.

2. Production and sales:
   (1) In response to the market trend of high-mix low-volume, eliminate unprofitable products and actively improve production technology and production capacity.
   (2) Products with general specifications are scheduled in plans for production to reduce the number of revisions, and those with special specifications have order volume requirements to reduce inventory.

3. Production:
   (1) Improve production performance. (Including increase in AA grade rate, decrease in waste silk rate, increase in uptime)
   (2) Reduce contract manufacturing cost per unit and contract manufacturing expenses and increase production.
   (3) Improve quality and reduce customer complaints.
   (4) Consolidate and adjust production line to increase the production capacity of high-

margin products. Increase production capacity of dyed yarn and functional products.

(5) Continue to develop the production volume and variety of composite filament functional products.

(6) Continue to increase the production volume and variety of recycled products.

(7) The R&D Department continues to recruit new hires in response to clients' projects to improve gross profit.

(8) Continue to build the EMS smart factory manufacturing system and incorporate the use of APS system.

4.Management:

(1) Conduct organizational reviews to optimize structure and resource allocation Based on the Company's operational development needs, we will conduct a comprehensive review of the current organizational structure, division of duties, and manpower allocation. Through these organizational reviews and adjustments, we aim to optimize resource allocation efficiency, enhance operational flexibility and decision-making speed, and strengthen cross-departmental collaboration mechanisms to respond effectively to market changes.

(2) Advance process optimization to enhance administrative and management efficiency We will conduct a thorough review of the Company's core operational workflows. By implementing simplification, standardization, and digitalization measures, we aim to reduce operational complexity and communication costs while shortening processing times, thereby enhancing overall administrative support efficiency and management performance.

(3) Implement AI applications and digital tools to strengthen operational efficiency In alignment with digital transformation trends, we will continue to promote the application of Artificial Intelligence (AI) tools in daily operations and management tasks. Centered on AI curricula and practical application training, we aim to enhance employees' digital literacy and data utilization capabilities, fostering optimized workflows and improved decision-making quality.

(4) Integrate administrative functions to strengthen the management support system Through the integration of administrative functions and the establishment of unified management mechanisms, we will improve resource utilization efficiency. We aim to develop consistent operating standards and management processes, strengthening our support capabilities for various business units and enhancing the overall operational effectiveness of the organization.

(5) Strengthen human resource development to support organizational transformation In coordination with organizational reviews and process optimization, we will continue to refine our talent cultivation and development systems. By leveraging digital learning platforms and AI application training, we aim to enhance employees' professional expertise and cross-disciplinary competencies, strengthening the organization's adaptability and execution to support the Company's long-term development.

5.Research and development:

(1) High-performance materials and market-oriented development In response to market demand for small-volume, diverse, and high-performance products, we continue to develop high-value-added functional fibers, including Phase Change Material (PCM) yarns and various other functional yarn types, while strengthening market promotion through brand collaborations. Simultaneously, in alignment with the "China-plus-one"

(de-risking) trend, we are actively positioning high-end materials required for defense and AI supply chains—such as flame-retardant composites, anti-static, and conductive yarns—to enhance product value and profitability.

(2) Sustainable materials and green processing technology To comply with the EU's Digital Product Passport (DPP) requirements for carbon footprint tracking and recycled content, we are consistently investing in eco-friendly materials and process innovation. Key focus areas include the development of Lyocell fibers and their high-performance applications (such as high-absorbency and antibacterial products) and promoting the mass production and expanded application of recycled cellulose.

(3) Process innovation and technical breakthroughs Addressing current manufacturing bottlenecks, we are developing a new type of ionic liquid solvent to replace the traditional NMMO system. This aims to improve process stability, safety, and cost structure while enhancing spinning efficiency. Furthermore, we continue to optimize the extensibility of Lyocell fibers to improve downstream weaving and processing efficiency, thereby broadening the scope of product applications.

(4) Circular economy and recyclable material development In response to global environmental and resource cycling trends, we are proactively developing mono-material recyclable products, such as elastic nylon yarns, to replace multi-material composites and improve recycling efficiency. Meanwhile, we are advancing technologies for the upcycling of nylon waste and sub-standard products, combining functional modifications for applications in high-end injection molding and cross-industry sectors to maximize resource efficiency and product value.

(II) Expected sales and its bases:

In response to the market trend of high-mix low-volume, actively improve production technology and capacity to maintain the Company's advantages in manufacturing costs, so that the overall production and sales system can be more competitive.

Unit: Tonnes

Product type	Quantity	Basis
Nylon yarn	23,000	The estimated sales volume of each product in 2026 refers to the sales forecast and the recent status of production equipment and inventory.
Polyester yarn	5,000	
Nylon textured yarn	16,500	
Polyester textured yarn	3,500	
Composite textured yarn	1,000	
Polypropylene textured yarn	500	
Total	49,500	

(III)Important manufacturing and sales policies

1. Develop new composite fiber products and increase proportion of value-added products to meet market demand.
2. Set annual sales targets and accept suitable orders to achieve profitability.
3. Coordinate production and sales and improve capacity to meet market demand and changes.
4. Reduce unplanned production and improve inventory control to meet the Company's target for inventory.
5. Improve production quality and pre-sales and after-sales services, reduce unnecessary customer complaints and quickly handle issues to reduce losses.
6. Improve processes on credit check and credit line of customers to reduce the risk of abnormal bad debts.

Looking ahead, as global brands actively promote decarbonization and circular economy strategies, the demand for sustainable materials continues to grow. With "Innovation" at its core, Acelon will continue to strengthen its overall competitiveness through digitalization and sustainable development strategies. We will further deepen our positioning within the green supply chain, expanding into new application markets and capturing sustainability-driven business opportunities. The Company remains committed to enhancing operational resilience and striving to create long-term, stable value for our shareholders.

Yours truly,

We wish everyone good health, good luck and prosperity.

Chairman Wen-Tung Chou

March 13, 2026



Two. Corporate Governance Report

I. Information on directors, president, vice presidents and head of various departments

1. Information on board members 1

Date: April 18, 2026

Title	Nationality or registration place	Name	Gender Age	Election / Appointment Date	Term Duration	Initial Elected Date	Number of Shares Owned at Time of Election		Number of Shares Currently Held		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Main Work Experience or Education Background	Concurrent Position in the Company or other Companies	Other managers or directors who are spouse or second-degree relatives			Remark
							Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship	
Chairman	Taiwan	Honghou Investment Representative of legal person director: Wen-Tung Chou	Male 61-70 years old	2024.06.21	3 years	1990.01.29	7,431,983 1,601,531	6.69% 1.44%	7,431,983 1,058,766	6.69% 0.95%	--	--	--	--	EMBA, National Chung Hsing University Corporate Leadership concentration Department of Mechanical Engineering at National Taipei University of Technology, factory manager of Formosa Chemicals and Fibre Corporation, vice president of Acelon	Chairman of Acegreen, Acenature and Acewing, General management of the company	VP of Production Department	Wen-Chi Chou	Brothers	Please see Note 2
																	Director	Ping-Yi Chou	Father-Daughter	
Director	Taiwan	Ming-Yi Lai	Male 51-60 years old	2024.06.21	3 years	2006.06.13	6,046,913	5.43%	6,078,868	5.47%	500,000	0.44%	--	--	Master's degree from the Department of Business Administration of National Changhua University of Education VP of Sales Division at Acelon	Chairman of Jukang, director of Acegreen, Acenature and Honmyue Vice president of Sales Dept. of the company	--	--	--	--
Director	Taiwan	Shang Cheng Investment Representative of legal person director: Yi-Sheng Lin	Male 51-60 years old	2024.06.21	3 years	2012.05.03	4,958,000 890	4.46% 0%	4,958,000 890	4.46% 0%	--	--	--	--	Master's degree from the Department of Business Administration of National Changhua University of Education	Chairman of CTWEB	--	--	--	--

Director	Taiwan	Chin Ying Fa Mechanical Industrial Representative of legal person director: Yu-Long Shih	Male 51-60 years old	2024.06.21	3 years	2012.05.03	2,669,0770	2.40%0%	2,669,0770	2.40%0%	--	--	--	--	Master of Science in Technology Management National Changhua University of Education Chairman of Chin Ying Fa Mechanical Industrial	Chairman of Chin Ying Fa Mechanical Industrial	Director	Ya-Hui Shih	Brother-Sister	--
Director	Taiwan	Ya-Hui Shih	Female 51-60 years old	2024.06.21	3 years	2018.06.29	2,158,027	1.94%	2,158,027	1.94%	--	--	--	--	Department of Business Administration of Kindai University in Japan	None	Director	Yu-Long Shih	Brother-Sister	--
Director	Taiwan	Wen-Po Yang	Male 61-70 years old	2024.06.21	3 years	2021.08.20	704,606	0.63%	704,606	0.63%	--	--	--	--	Department of Water Resources and Environmental Engineering of Tamkang University	None	--	--	--	--
Director	Taiwan	Ping-Yi Chou	Female 31-40 years old	2024.06.21	3 years	2021.08.20	2,634,219	2.37%	2,634,219	2.37%	395,000	0.36%	--	--	Master of Science in finance from the University of Utah. Auditor at Deloitte Taiwan. Department of Taxation of PwC Taiwan.	The Chairman's Office Special Assistant of the company Independent Director of Koan Hao Co., Ltd.	Director	Wen-Tung Chou	Father-Daughter	--
Independent Director	Taiwan	Shui-Chin Chen	Male 51-60 years old	2024.06.21	3 years	2021.08.20	0	0%	0	0%	9	0.00%	--	--	Department of Accounting of Soochow University Master's degree from Department of Business Administration at National Chung Cheng University. CPA at Deloitte Taiwan, Yuan-Sheng CPA Associates	Independent directors at Merida, Cheng Shin Rubber Industry and San Neng Group Holdings. Supervisor at Linco Technology and Buffalo Machinery	--	--	--	--
Independent Director	Taiwan	Wan-Chung Chen	Male 71-80 years old	2024.06.21	3 years	2018.06.29	0	0%	0	0%	--	--	--	--	EMBA from NSYSU. VP of Triocean	Chief engineer at Cathay Biotech Inc.	--	--	--	--
Independent Director	Taiwan	Ai-Hui Ke	Female 51-60 years old	2024.06.21	3 years	2024.06.21	0	0%	0	0%	--	--	--	--	Accounting Department, Tunghai University Executive Vice President and Chief Operating Officer at Jawaytek Co., Ltd. Audit Department Manager at KPMG Taiwan, Certified Public Accountants	Director of Zhengxing Plastic Products (Heyuan) Co., Ltd. Director of Zhengxin Meinaiping (Heyuan) Co., Ltd. Independent Director of Gongsheng Insurance Broker (Stock) Company Chief Operating Officer and Chief of Financial Officer: Jiawei Life Co., Ltd.	--	--	--	

Independent Director	Taiwan	Cheng-Pei Kuo	Male 61-70 years old	2024.06.21	3 years	2023.06.16	0	0%	0	0%	--	--	--	--	Master's degree from Institute of Textile Engineering at Feng Chia University	Director and general manager of Honmyue Enterprise Co., Ltd.	--	--	--	Please see Note 4

Note 1: The Company full re-election directors at the annual general meeting of shareholders on June 21, 2024. The term of office of the 13th term of board members is from June 21, 2024 to June 20, 2027.

Note 2: The former president of the Company, Mr. Tse-Chung Lin, retired at the end of December 2018. Chairman Wen-Tung Chou concurrently serves as the president at this point considering his familiarity with the Company's overall business and management, and the Company is actively nurturing talents for managerial officer positions.
The Company's board currently has eleven directors (including four independent directors), and more than half of the directors are not concurrently serving as employees or managerial officers. All board members elaborate on their respective professions and responsibilities to focus on and supervise the Company's operations. Therefore, it is considered appropriate for the chairman to concurrently serve as the president.

Majority corporate shareholders

Date: April, 18, 2026

Name of Corporate Shareholders	Majority corporate shareholders
Honghou Investment	Shao-Hua Chou (78.24%)
Chin Ying Fa Mechanical Industrial	Yu-Long Shih(19.67%),Song-Lin Shih(6.19%), Ya-Hui Shih(5.95%)
Shang Cheng Investment	Yi-Pang Lin(99%)

2. Information on board members 2

(1) Disclosure of professional qualifications of directors and independence of independent directors:

Conditions / Name	Professional qualifications and experience	Status of independence	Concurrently serving as an independent director in other publicly listed companies
Honghou Investment Representative of legal person director: Mr. Wen-Tung Chou	⊙Chairman of Acelon ⊙Age: 61~70 ⊙Gender: Male ⊙Education: Department of Mechanical Engineering at National Taipei University of Technology. EMBA, National Chung Hsing University ⊙Board/Board leadership experience ⊙Relevant industry experience (textile and machinery industries) ⊙Mr. Wen-Tung Chou is experienced in textile fiber, business management and risk control. He had worked as a section chief of the Nylon Business Department at Formosa Chemicals & Fibre Corporation. In 1988, he co-founded Acelon. In 1989, he served as the factory manager of Acelon. He has served as the president of Acelon since 1998, and is concurrently serving as the chairman of Acelon, Acegreen and Acenature.	1. Not a director, supervisor or employee of another company or institution in which the majority of board seats or voting rights are controlled by the same person in the Company. 2. Not a director, supervisor, managerial officer, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the Company. 3. Not been a person of any conditions defined in Article 30 of the Company Act.	None
Mr. Ming-Yi Lai	⊙Director of Acelon ⊙Age: 51~60 ⊙Gender: Male ⊙Education: Master's degree from the Department of Business Administration of National Changhua University of Education ⊙Board/Board leadership experience ⊙Relevant industry experience (textile and retail industries) ⊙Mr. Ming-Yi Lai joined Acelon as an executive assistant to the president in 2001. In 2011, he served as the VP of Business. He offers insight in the market and experience in retail channels for end products, and can provide short-, intermediate- and long-term planning in business. Concurrently serving as the president of Acenature and director of Acegreen and Honmyue.	1、Not a director, supervisor or employee of another company or institution in which the majority of board seats or voting rights are controlled by the same person in the Company. 2、Not a director, supervisor, managerial officer, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the Company. 3、Not a director, supervisor or employee of a corporate/institutional shareholder that directly holds 5% or more of the total number of issued shares of the Company, or ranks as of its top five shareholders, or appointed as a representative in accordance with Paragraph 1 or 2 of Article 27 of the Company Act. 4、Not having a marital relationship or a relative within the second degree of kinship to any other director of the company. 5、Not been a person of any conditions defined in Article 30 of the Company Act.	None

Shang Cheng Investment Representative of legal person director: Mr. Yi-Sheng Lin	⊙Director of Acelon ⊙Age: 51~60 ⊙Gender: Male ⊙Education: Master's degree from the Department of Business Administration of National Changhua University of Education ⊙Board/Board leadership experience ⊙Relevant industry experience (investment and information industries) ⊙Mr. Yi-Sheng Lin joined the board of Acelon in 2012. He is experienced in international trade and investment and has a good network. He provides guidance and external resources when the Company wishes to expand business.	① Not a director, supervisor or employee of another company or institution in which the majority of board seats or voting rights are controlled by the same person in the Company. ② Not a director, supervisor, managerial officer, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the Company. ③ Not an employee of the Company or any of its affiliates. ④ Not having a marital relationship or a relative within the second degree of kinship to any other director of the company. ⑤ Not been a person of any conditions defined in Article 30 of the Company Act.	None
Chin Ying Fa Mechanical Industrial Representative of legal person director: Mr. Yu-Long Shih	⊙Director of Acelon ⊙Age: 51~60 ⊙Gender: Male ⊙Education: Master of Science in Technology Management National Changhua University of Education ⊙Board/Board leadership experience ⊙Relevant industry experience (machinery industries and business management) ⊙Director Mr. Yu-Long Shih joined the board in 2022. He has a keen insight in investments, and has more than 20 years of business management experience. He offers guidance and recommendations on the Company's operations. Concurrently serving as the chairman of Chin Ying Fa Mechanical Industrial	① Not a director, supervisor or employee of another company or institution in which the majority of board seats or voting rights are controlled by the same person in the Company. ② Not a director, supervisor, managerial officer, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the Company. ③ Not an employee of the Company or any of its affiliates. ④ Not been a person of any conditions defined in Article 30 of the Company Act.	None
Ms. Ya-Hui Shih	⊙Director of Acelon ⊙Age: 51~60 ⊙Gender: Female ⊙Education: Department of Business Administration of Kindai University in Japan ⊙Board/Board leadership experience ⊙Relevant industry experience (machinery industries and business management) ⊙Mrs. Ya-Hui Shih joined the board in 2018. She has knowledge and experience in international business management, and can offer recommendations on the Company's business and management directions.	① Not a director, supervisor or employee of a corporate/institutional shareholder that directly holds 5% or more of the total number of issued shares of the Company, or ranks as of its top five shareholders, or appointed as a representative in accordance with Paragraph 1 or 2 of Article 27 of the Company Act. ② Not a director, supervisor or employee of another company or institution in which the majority of board seats or voting rights are controlled by the same person in the Company. ③ Not a director, supervisor, managerial officer, or shareholder holding 5% or more of the shares	None

		of a specified company or institution that has a financial or business relationship with the Company. ④ Not an employee of the Company or any of its affiliates. ⑤ Not been a person of any conditions defined in Article 30 of the Company Act.	
Mr. Wen-Po Yang	⊙Director of Acelon ⊙Age: 61~70 ⊙Gender: Male ⊙Education: Department of Water Resources and Environmental Engineering of Tamkang University ⊙Board/Board leadership experience ⊙Relevant industry experience (construction and hydraulic engineering industries) ⊙Mr. Wen-Po Yang had served as a supervisor of the Company from 2000. He visits the Company and audits information on a weekly basis. He started serving as a director in 2021. He is experienced in construction and hydraulic engineering industries, and can provide guidance on the configuration of plant structure and recommendations on the improvement of water resources and environmental safety issues.	① Not a director, supervisor or employee of a corporate/institutional shareholder that directly holds 5% or more of the total number of issued shares of the Company, or ranks as of its top five shareholders, or appointed as a representative in accordance with Paragraph 1 or 2 of Article 27 of the Company Act. ② Not a director, supervisor or employee of another company or institution in which the majority of board seats or voting rights are controlled by the same person in the Company. ③ Not a director, supervisor, managerial officer, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the Company. ④ Not an employee of the Company or any of its affiliates. ⑤ Not having a marital relationship or a relative within the second degree of kinship to any other director of the company. ⑥ Not been a person of any conditions defined in Article 30 of the Company Act.	None
Ms. Ping-Yi Chou	⊙Director of Acelon ⊙Age: 31~40 ⊙Gender: Female ⊙Education: Master of Science in finance from the University of Utah. ⊙Board/Board leadership experience ⊙Relevant industry experience (finance) ⊙Ms. Ping-Yi Chou had served as a supervisor from 2018, and served as a director starting 2021. She has an educational background in finance and had practical experience in auditing while working for Deloitte Taiwan and PwC Taiwan. She can offer guidance on the Company's financial structure and risks.	① Not a director, supervisor or employee of a corporate/institutional shareholder that directly holds 5% or more of the total number of issued shares of the Company, or ranks as of its top five shareholders, or appointed as a representative in accordance with Paragraph 1 or 2 of Article 27 of the Company Act. ② Not a director, supervisor or employee of another company or institution in which the majority of board seats or voting rights are controlled by the same person in the Company. ③ Not a director, supervisor, managerial officer, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the Company.	None

		④ Not an employee of the Company or any of its affiliates. ⑤ Not been a person of any conditions defined in Article 30 of the Company Act.	
Mr. Shui-Jin Chen	⊙Independent director of Acelon ⊙Age: 51~60 ⊙Gender: Male ⊙Education: Department of Accounting at Soochow University, Master's degree from the Department of Business Administration of National Chung Cheng University ⊙Board/Board leadership experience ⊙Relevant industry experience (finance) ⊙Mr. Shui-Jin Chen has served as an independent director since 2021, the convener of the Audit Committee for the current term, a member of Salary and Remuneration Committee, and the Sustainable Development Committee. He had worked at Deloitte Taiwan. He is currently a CPA at Yuan-Sheng CPA Associates. He can offer guidance and effective recommendations on the Company's financial structure and operational risks. He is now concurrently serving as an independent directors at Merida, Cheng Shin Rubber Industry and San Neng Group Holdings, and a supervisor at Linco Technology and Buffalo Machinery	① The independent director, and the spouse and second-degree relatives are not directors, supervisors or employees of the Company or the affiliates. ② The independent director or his second-degree relatives (or in the name of others) are not holding the Company's shares. The spouse has 9 shares. ③ The independent director is not serving as a director, supervisor or employee of a company that has specific affiliation with the Company. ④ In the past 2 years, there has been no remuneration received for business, legal, financial, accounting and other services to the Company or other affiliates. ⑤ Not having a marital relationship or a relative within the second degree of kinship to any other director of the company. ⑥ Not been a person of any conditions defined in Article 30 of the Company Act.	3
Mr. Wan-Chung Chen	⊙Independent director of Acelon ⊙Age: 71~80 ⊙Gender: Male ⊙Education: EMBA of National Sun Yat-Sen University ⊙Board/Board leadership experience ⊙Relevant industry experience (textile and operations management) ⊙Mr. Wan-Chung Chen has served as an independent director since 2018, and is the convener of the Salary and Remuneration Committee for the current term,a member of the Audit Committee, and the Sustainable Development Committee. He had worked as the VP of Triocean Textile. He has a professional background in textile fiber and practical management experience. He is concurrently working on the development of textile materials at Cathay Biotech Inc., and can offer guidance and recommendations on the Company's operations and business.	① The independent director, and the spouse and second-degree relatives are not directors, supervisors or employees of the Company or the affiliates. ② The independent director and his spouse and second-degree relatives (or in the name of others) are not holding the Company's shares. ③ The independent director is not serving as a director, supervisor or employee of a company that has specific affiliation with the Company. ④ In the past 2 years, there has been no remuneration received for business, legal, financial, accounting and other services to the Company or other affiliates. ⑤ Not having a marital relationship or a relative within the second degree of kinship to any other director of the company. ⑥ Not been a person of any conditions defined in Article 30 of the Company Act.	None

Ms. Ai-Hui Ke	⊙Independent director of Acelon ⊙Age: 51~60 ⊙Gender: Female ⊙Education: Accounting Department, Tunghai University ⊙Board/Board leadership experience ⊙Relevant industry experience (finance, operations management) ⊙Ms. Ai-Hui Ke has served as an independent director since 2024, and is a member of the Audit Committee, Salary and Remuneration Committee. She is currently an Executive Vice President and Chief Operating Officer at Jawaytek Co., Ltd. She possesses professional expertise in finance and extensive management experience, enabling her to provide appropriate guidance and recommendations on the company's operational control and financial management.	① The independent director, and the spouse and second-degree relatives are not directors, supervisors or employees of the Company or the affiliates. ② The independent director and his spouse and second-degree relatives (or in the name of others) are not holding the Company's shares. ③ The independent director is not serving as a director, supervisor or employee of a company that has specific affiliation with the Company. ④ In the past 2 years, there has been no remuneration received for business, legal, financial, accounting and other services to the Company or other affiliates. ⑤ Not having a marital relationship or a relative within the second degree of kinship to any other director of the company. ⑥ Not been a person of any conditions defined in Article 30 of the Company Act.	None
Mr. Cheng-Pei Kuo	⊙Independent director of Acelon ⊙Age: 61~70 ⊙Gender: Male ⊙Academic degree: Master's degree from Institute of Textile Engineering at Feng Chia University ⊙Board/Board leadership experience ⊙Relevant industry experience (textile and operations management) ⊙Mr. Cheng-Pei Kuo has been an Independent Director of the company since 2023 and a member of the Audit Committee and Sustainable Development Committee. Mr. Kuo is currently a director and general manager of Honmyue Enterprise Co., Ltd. and has a professional background in textile fibers and practical management experience, and is able to provide timely guidance and advice towards the Company's operational risks and management.	① The independent director, and the spouse and second-degree relatives are not directors, supervisors or employees of the Company or the affiliates. ② The independent director and his spouse and second-degree relatives (or in the name of others) are not holding the Company's shares. ③ The independent director is not serving as a director, supervisor or employee of a company that has specific affiliation with the Company. ④ In the past 2 years, there has been no remuneration received for business, legal, financial, accounting and other services to the Company or other affiliates. ⑤ Not having a marital relationship or a relative within the second degree of kinship to any other director of the company. ⑥ Not been a person of any conditions defined in Article 30 of the Company Act.	None

3. Disclosure of professional qualifications of directors and independence of independent directors:

(1) The board's diversity policy:

① Purpose

The policy has been established in accordance with Article 20 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies in order to realize corporate governance,

improve board functions and enhance the board's structure.

② Vision and specific management objectives

The company believes that the diversity of board members can improve decision-making and deal with organizational changes more effectively, and the operations can achieve the following objectives:

A. The Company's board guides the Company's strategy and supervises the management, and is responsible to the Company and shareholders. In terms of the operation and arrangement of the corporate governance system, the board exercises its powers in accordance with laws and regulations, the Articles of Incorporation or the resolutions of the shareholder meetings.
B. The professional background of board members covers operational decision-making, innovation capability, business experience, industry knowledge and business management.
C. Diverse experience of directors continues to strengthen corporate governance and operating synergy.
D. Members can offer diverse opinions based on their experience to find the most suitable solutions to management and development of the Company.
E. The board conducts performance evaluation on an annual basis to verify the diverse background and suitability of board members.

③ Policy statement

When selecting and reviewing candidates for directors and independent directors, the Company considers the diversity of board members in various aspects, including education, experience, gender (at least 1 female director, and currently there are 3), independence (at least 3 independent directors, and there are 4 now) and professional experience (at least 2 seats with textile industry background, and there are 4 now; at least 2 seats with finance background, and there are 3 now), and evaluates whether they can perform their duties after joining the board and bring the most benefits to the Company.

④ Diversity index

In order to make the board composition meet the diversity requirements, the selection criteria should include but is not limited to these two aspects:

A. Background and value: No discrimination against gender, age, nationality, culture, etc.
B. Knowledge and skills: Professional background in operations management, finance, industry knowledge, sales, marketing, etc.

⑤ Disclosure

The Board Members Diversity Policy established by the Company shall be fully disclosed on the Company's website at all times, made available for consultation.

⑥ Implementation and amendment

These measures are to be announced and implemented after being approved by the board, and likewise for the revision.

(2) Implementation of diversity of board members:

In order to ensure the diversity of board members and their capabilities examining and discussing industry, economy, environment and society issues, the selection of board members should consider talents with different professional background, vision, leadership, industry experience and gender. There are currently 11 seats of directors (including 3 corporate directors and 4 independent directors). Among them, 3 are female directors, account for 27% of the board, and their average age is 49 years old; male directors account for 73% of the board, and their average

age is 63 years old. The average age of all directors is 59 years old. 3 directors concurrently serve as employees of the Company, accounting for 27% of the board. The average tenure of independent directors is 3 .4 years.The board members have degrees from EMBA at National Chung Hsing University, Master's degree from the Department of Business Administration of National Changhua University of Education, Department of Business Administration of Kindai University in Japan and EMBA from NSYSU, and they all have professional background and skills and industry experience. Re-election of directors and independent directors is held regularly to select suitable candidates.

The Company's proportion of female directors has not reached one-third. The proposed measures to improve this are as follows:

1.Actively expand the pool of female talents; during the selection of director candidates, prioritize female candidates with diverse backgrounds, set gender ratio targets, and incorporate these into the corporate governance policies.

2.Regularly review the gender composition of the board and promote the implementation of diversity policies.

Implementation of diversity of board members at Acelon																			
Core items of diversity	Nationality	Gender	Concurrent position as employee of the Company	Age					Service Term of Independent Directors			Industry experience				Professional competence			
Name of Director				31 to 40	41 to 50	51 to 60	61 to 70	71 to 80	Less than 3 years	3 to 9 years	Over 9 years	Environment safety	Textile fiber	Financial investment	Machinery industry	Sales and marketing	Industry Knowledge.	Finance	Operations management
Wen-Tung Chou	ROC	Male	✓				✓						✓		✓	✓	✓		✓
Ming-Yi Lai	ROC	Male	✓			✓							✓			✓	✓		✓
Yu-Long Shih	ROC	Male				✓									✓				✓
Yi-Sheng Lin	ROC	Male				✓								✓		✓			
Ya-Hui Shih	ROC	Female				✓									✓				✓
Wen-Po Yang	ROC	Male					✓					✓							✓
Ping-Yi Chou	ROC	Female		✓										✓				✓	
Shui-Chin Chen	ROC	Male				✓				✓				✓				✓	
Wan-Chung Chen	ROC	Male						✓		✓			✓				✓		✓
Ai-Hui Ke	ROC	Female				✓			✓					✓		✓		✓	✓
Cheng-Pei Kuo	ROC	Male					✓		✓				✓				✓		✓

Note: Please fer to pp. 10 to 14 for the professional qualifications of each director.

(3) Independence of the board:

The Company's board established 4 seats of independent directors in accordance with Article 14-2 of the Company Act and Article 12 in the Company's Articles of Incorporation, which account for 36% of the total number of directors. Director Wen-Tung Chou and director Ping-Yi Chou are father and daughter, and director Song-Lin Shih and director Ya-Hui Shih are brother and sister. The other directors have not been in any circumstances specified in paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act during the two years prior to being elected as directors and during their service tenure. More than half of the directors are not concurrently serving as employees or managerial officers of the Company, nor do they have relationships of second-degree relatives or spouse. Independent directors do not hold shares of the Company. All directors recuse themselves from voting on motions which may involve conflict of interest.

The board will continue to evaluate the independence of each director, including but not limited to whether directors can continue to provide effective suggestions and discuss issues raised from an independent point of view. The evaluation has found that the current board members all elaborate on their respective professional competence and responsibilities, understand company issues and effectively provide supervision on decision-making. All directors have shown independence, which meets the expectations of the Company.

Note: Please refer to pp. 10-14 for the independence of each director.

3. Information about the president, vice president, assistant vice presidents, heads of departments and branches:

Date: April 18, 2026

Title	Nationality	Name	Gender	Election / Appointment Date	Shareholding		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Main Work Experience or Education Background	Concurrent Position in Other Companies	Managerial officers who are Spouse or Blood Relatives Within the Second Degree			Remarks
					Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship with the Company	
Chairman and president	Taiwan	Wen-Tung Chou	Male	2011.04.23	1,058,766	0.95%	–	–	–	–	Corporate Leadership concentration of the EMBA program at National Chung Hsing University Department of Mechanical Engineering at National Taipei University of Technology Factory manager of Formosa Chemicals and Fibre Corporation, president of Acelon	Chairman of Acegreen, Acenature and Acepwing	VP of Production Department	Wen-Chi Chou	Brothers	Note 1
Director of the Chairman's Office	Taiwan	Tse-Chung Lin	Male	2019.03.25	286,548	0.26%	57,864	0.05%	–	–	Department of Chemical Engineering at National Taipei University of Technology Factory manager of Formosa Chemicals and Fibre Corporation, president of Acelon	Independent director of Materials-KY, supervisor of Acegreen	–	–	–	–
VP of Sales Department	Taiwan	Ming-Yi Lai	Male	2011.09.01	6,078,868	5.47%	500,000	0.44%	–	–	Master's degree from the Department of Business Administration of National Changhua University of Education VP of Acelon	Chairman of Jukang, director of Acegreen, Acenature and Honmyue	–	–	–	–
VP of Production Department	Taiwan	Wen-Chi Chou	Male	2016.09.01	57,167	0.05%	–	–	–	–	Department of Electrical Engineering, National Formosa University Factory head of Production Department at Acelon VP of Production Department at Acelon	Director of Acegreen	Chairman	Wen-Tung Chou	Brothers	–
Special Assistant of the Chairman's Office	Taiwan	Ping-Yi Chou	Female	2023.04.24	2,634,219	2.37%	395,000	0.36%	–	–	Master of Science in finance from the University of Utah. Auditor at Deloitte Taiwan. Department of Taxation of PwC Taiwan.	Independent Director of Koan Hao Co., Ltd.	Chairman	Wen-Tung Chou	Father-Daughter	–
Head of internal audit	Taiwan	Mu-Lan Hsiao	Female	2024.02.15	25,669	0.02%	–	–	–	–	Department of Account at National Taichung University of Science and Technology Specialist of Account Section at Acelon	None	–	–	–	–
Director of Finance	Taiwan	Mei-Hung Chang	Female	2018.09.01	48,340	0.04%	–	–	–	–	Department of International Business Administration at Chienkuo Technology University Assistant Director of Finance at Acelon	Director of Acenature	–	–	–	–
Section chief of Accounting Section	Taiwan	Fengxiu Zhang	Male	2024.02.15	0	0.00%	–	–	–	–	"Accounting Department of Fu Jen Catholic University" Accounting Department Specialist at Acelon	None	–	–	–	–

Note 1:The former president of the Company, Mr. Tse-Chung Lin, retired at the end of December 2018. Chairman Wen-Tung Chou concurrently serves as the president at this point considering his familiarity with the Company's overall business and management, and the Company is actively nurturing talents for managerial officer positions. The Company's board currently has eleven directors (including four independent directors), and more than half of the directors are not concurrently serving as employees or managerial officers. All board members elaborate on their respective professions and responsibilities to focus on and supervise the Company's operations. It is expected to add one more seat of independent director in 2023. Therefore, it is considered appropriate for the chairman to concurrently serve as the president.

Ⅱ.Remuneration paid to directors, president, and vice presidents for the most recent fiscal year:

1. Remuneration paid to directors and independent directors:

Unit: NT$ thousands

Title	Name	Directors' remuneration								Total Remuneration (A+B+C+D) as a % of the Net Income		Remuneration for concurrent position as an employee										Total Compensation (A+B+C+D+E+F+G) as a % of the Net Income		Compensation from invested businesses other than subsidiaries
		Base Compensation (A)		Severance Pay and Pensions (B)		Compensation to Directors (C)		Allowances for Operations (D)				Base Compensation, Bonuses, and Allowances (E)		Severance Pay and Pensions (F)		Employees' Profit Sharing Bonus (G)				Number of Shares Subscribed Through Employee Stock Options (H)				
																The Company		All Companies in the Financial Report						
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	Cash	Stock	Cash	Stock	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	
Director	Wen-Tung Chou	0	0	0	0	0	0	1,666	1,949	1,666 (1.40%)	1,949 (1.64%)	4,504	4,504	0	0	0	0	0	0	0	0	6,170 (5.18%)	6,453 (5.42%)	None
Director	Honghou Investment Representative of legal person: Wen-Tung Chou	0	0	0	0	0	0	192	192	192 (0.16%)	192 (0.16%)	0	0	0	0	0	0	0	0	0	0	192 (0.16%)	192 (0.16%)	None
Director	Ming-Yi Lai	0	0	0	0	0	0	574	574	574 (0.48%)	574 (0.48%)	1,496	2,972	0	0	0	0	0	0	0	0	2,070 (1.74%)	3,546 (2.98%)	None
Director	Shang Cheng Investment Legal person representative: Yi-Sheng Lin	0	0	0	0	0	0	192	192	192 (0.16%)	192 (0.16%)	0	0	0	0	0	0	0	0	0	0	192 (0.16%)	192 (0.16%)	None
Director	Chin Ying Fa Mechanical Industrial Legal person representative: Yu-Long Shih	0	0	0	0	0	0	192	192	192 (0.16%)	192 (0.16%)	0	0	0	0	0	0	0	0	0	0	192 (0.16%)	192 (0.16%)	None
Director	Ya-Hui Shih	0	0	0	0	0	0	192	192	192 (0.16%)	192 (0.16%)	0	0	0	0	0	0	0	0	0	0	192 (0.16%)	192 (0.16%)	None
Director	Wen-Po Yang	0	0	0	0	0	0	388	388	388 (0.33%)	388 (0.33%)	0	0	0	0	0	0	0	0	0	0	388 (0.33%)	388 (0.33%)	None
Director	Ping-Yi Chou	0	0	0	0	0	0	192	192	192 (0.16%)	192 (0.16%)	0	0	0	0	0	0	0	0	0	0	192 (0.16%)	192 (0.16%)	None
Independent director	Shui-Chin Chen	0	0	0	0	0	0	432	432	432 (0.36%)	432 (0.36%)	0	0	0	0	0	0	0	0	0	0	432 (0.36%)	432 (0.36%)	None
Independent director	Wan-Chung Chen	0	0	0	0	0	0	432	432	432 (0.36%)	432 (0.36%)	0	0	0	0	0	0	0	0	0	0	432 (0.36%)	432 (0.36%)	None
Independent director	Cheng-Pei Kuo	0	0	0	0	0	0	408	408	408 (0.34%)	408 (0.34%)	0	0	0	0	0	0	0	0	0	0	408 (0.34%)	408 (0.34%)	None
Independent director	Ai-Hui Ke	0	0	0	0	0	0	408	408	408 (0.34%)	408 (0.34%)	0	0	0	0	0	0	0	0	0	0	408 (0.34%)	408 (0.34%)	None

Note 1: The Company full re-election directors at the annual general meeting of shareholders on June 21, 2024. The term of office of the 13th term of board members is from June 21, 2024 to June 20, 2027.

Note 2: Independent directors are not eligible for the distribution of remuneration to directors and supervisors, and instead receive fixed monthly payments for their work. Their duties are to supervise the Company's operations, elaborate on their independence and professional competence, attend board meetings and the meetings of functional committees regularly, supervise the Company's decisions and ensure the rights and interests of shareholders.

Director Remuneration Grade Table:

Remuneration Paid to Directors	Name of Director			
	Total Remuneration from the First Four Items (A+B+C+D)		Total Remuneration from the First Seven Items (A+B+C+D+E+F+G)	
	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report
Below NT$1,000,000	Honghou Investment, Ming-Yi Lai, Shang Cheng Investment , Chin Ying Fa, Ya-Hui Shih, Wen-Po Yang, Ping-Yi Chou, Shui-Chin Chen, Wan-Chung Chen, Cheng-Pei Kuo, Ai-Hui, Ke	Honghou Investment, Ming-Yi Lai, Shang Cheng Investment , Chin Ying Fa, Ya-Hui Shih, Wen-Po Yang, Ping-Yi Chou, Shui-Chin Chen, Wan-Chung Chen, Cheng-Pei Kuo, Ai-Hui, Ke	Honghou Investment, Shang Cheng Investment , Chin Ying Fa, Ya-Hui Shih, Wen-Po Yang, Shui-Chin Chen, Wan-Chung Chen, Cheng-Pei Kuo, Ai-Hui, Ke	Honghou Investment, Shang Cheng Investment , Chin Ying Fa, Ya-Hui Shih, Wen-Po Yang, Shui-Chin Chen, Wan-Chung Chen, Cheng-Pei Kuo, Ai-Hui, Ke
NT$1,000,000 (included) - NT$2,000,000 (excluded)	Wen-Tung Chou	Wen-Tung Chou	Ping-Yi Chou,	Ping-Yi Chou,
NT$2,000,000 (included) - NT$3,500,000 (excluded)			Ming-Yi Lai	
NT$3,500,000 (included) - NT$5,000,000 (excluded)				Ming-Yi Lai
NT5,000,000 (included) - NT$10,000,000 (excluded)			Wen-Tung Chou	Wen-Tung Chou
NT$10,000,000 (included) - NT$15,000,000 (excluded)				
NT$15,000,000 (included) - NT$30,000,000 (excluded)				
NT$30,000,000 (included) - NT$50,000,000 (excluded)				
NT$50,000,000 (included) - NT$100,000,000 (excluded)				
Over NT$100,000,000				
Total				

Note 1: The Company full re-election directors at the annual general meeting of shareholders on June 21, 2024. The term of office of the 13th term of board members is from June 21, 2024 to June 20, 2027.
Note 2: Independent directors are not eligible for the distribution of remuneration to directors and supervisors, and instead receive fixed monthly payments for their work. Their duties are to supervise the Company's operations, elaborate on their independence and professional competence, attend board meetings and the meetings of functional committees regularly, supervise the Company's decisions and ensure the rights and interests of shareholders.

2. Remuneration to president and vice presidents

Unit: NT$ thousand

Title	Name	Salary (A)		Severance Pay and Pensions (B)		Bonuses and Allowances (C)		Employees' Profit Sharing Bonus (D)				Total Remuneration (A+B+C+D) as a % of the Net Income		Compensation from invested businesses other than subsidiaries
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company		All Companies in the Financial Report		The Company	All Companies in the Financial Report	
								Cash	Stock	Cash	Stock			
President	Wen-Tung Chou	3,323	3,323	-	-	2,847	3,130	-	-	-	-	12,519 (10.52%)	14,278 (12.00%)	None
Director	Tse-Chung Lin	1,271	1,271	-	-	373	373	-	-	-	-			
VP of Sales Division	Ming-Yi Lai	1,163	2,326	-	-	907	1,220	-	-	-	-			
VP of Production Department	Wen-Chi Chou	1,854	1,854	104	104	677	677	-	-	-	-			

Note 1: The Company full re-elected directors at the annual general meeting of shareholders on June 21, 2024. The term of office of the 13th term of board members is from June 21, 2024 to June 20, 2027.

Note 2: In the 13th term of the board, both director Wen-Tung Chou, and Ming-Yi Lai concurrently serves as of the managerial officers.

President and Vice Presidents Remuneration Grade Table:

Remuneration Paid to the General Manager and Vice General Manager	Name of President and Vice Presidents	
	The Company	All Companies in the Financial Report
Below NT$1,000,000		
NT$1,000,000 (included) - NT$2,000,000 (excluded)	Tse-Chung Lin	Tse-Chung Lin
NT$2,000,000 (included) - NT$3,500,000 (excluded)	Ming-Yi Lai, Wen-Chi Chou	Wen-Chi Chou
NT$3,500,000 (included) - NT$5,000,000 (excluded)		Ming-Yi Lai
NT5,000,000 (included) - NT$10,000,000 (excluded)	Wen-Tung Chou	Wen-Tung Chou
NT$10,000,000 (included) - NT$15,000,000 (excluded)		
NT$15,000,000 (included) - NT$30,000,000 (excluded)		
NT$30,000,000 (included) - NT$50,000,000 (excluded)		
NT$50,000,000 (included) - NT$100,000,000 (excluded)		
Over NT$100,000,000		
Total		

3. Remuneration for the top five most compensated managerial officers of the Company

Unit: NT$ thousand

Title	Name	Salary (A) Note 2		Retirement pension (B)		Bonuses and special allowances, etc. (C) Note 3		Amount of employee remuneration(D) Note 4				Total of A, B, C and D as a percentage of net income after tax (%) Note 6		Whether remunerations have been received from investees other than subsidiaries Note 7
		The Company	All companies in the consolidated financial statements (Note 5)	The Company	All companies in the consolidated financial statements (Note 5)	The Company	All companies in the consolidated financial statements	The Company		All companies in the consolidated financial statements (Note 5)		The Company	All companies in the consolidated financial statements	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chairman of the Board and President	Wen-Tung Chou	3,323	3,323	-	-	2,847	3,130	-	-	-	-	(12.44%)	(13.91%)	None
Vice President of Business Development Division	Ming-Yi Lai	1,163	2,326	-	-	907	1,220	-	-	-	-			
Vice President of Business Production Division	Wen-Chi Chou	1,854	1,854	104	104	677	677	-	-	-	-			
Head of Finance Department	Mei-Hung Chang	1,541	1,541	90	90	653	653	-	-	-	-			
Director, Chairman's Office	Tse-Chung Lin	1,271	1,271	-	-	373	373	-	-	-	-			

Note 1: The "top five most highly compensated managerial officers" in this table refers to the managerial officers of the Company. The criteria for the recognition of managerial officers are based on the scope of "managers" as stipulated in the former Securities and Futures Commission of the Ministry of Finance's Order Tai-Cai-Zheng-San-Zi No. 0920001301 dated March 27, 2003. As for the "top five most highly compensated" calculation, the calculation is based on the total amount of salaries, retirement pensions, bonuses and special allowances received by the managerial officers from all companies in the consolidated financial statements, as well as the amount of employee remuneration (i.e., the total of the four items A+B+C+D), and then ranked by the top five most highly compensated. If a director is also a managerial officer, he/she should fill in this table and the above table (1-1).

Note 2: The salaries, allowances and severance pay of the top five most highly compensated managerial officers in the most recent year are listed.

Note 3: The amount of bonuses, incentive payments, travel expenses, special allowances, other allowances, dormitories, vehicles and other in-kind payments for the top five most highly compensated supervisors in the most recent year. For housing, vehicles, other transportation or personal expenses, disclose the nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments. If there is a chauffeur, please note that the company pays the driver's compensation, but does not count it as remuneration. Salary expenses recognized under IFRS 2 "Share-based Payment", including the acquisition of employee stock options, new shares

with restricted employee rights and participation in cash increment subscriptions, should also be included in the remuneration. In addition, salary expenses recognized under IFRS 2 "Share-based Payment", including the acquisition of employee stock options, new shares with restricted employee rights and participation in cash capital increase, should also be included in remuneration.

Note 4: The amount of employee remuneration (including stock and cash) for the top five most highly compensated managerial officers approved by the Board of Directors in the most recent year is included. If the amount cannot be estimated, the proposed distribution for this year should be calculated in proportion to the actual distribution amount last year, and should also be listed in Table 1(3).

Note 5: The total amount of remuneration paid to the Company's top five most highly compensated managerial officers by all companies in the consolidated report (including the Company) should be disclosed.

Note 6: The net income after tax refers to the net income after tax of the most recent year of the parent company only or individual financial statements.

Note 7: a. This column should clearly indicate the amount of remuneration received by the Company's top five most highly compensated managerial officers from investees other than the Company's subsidiaries or the parent company (if none, please enter "none").

b. Remuneration refers to the compensation (including remuneration to employees, directors and supervisors) and business execution expenses received by the Company's top five most highly compensated managerial officers in their capacity as directors, supervisors or managers of non-subsidiary companies or the parent company.

4. Names of managerial officers who are given employee compensation (for 2024) and the status of distribution:

Date: April 18, 2026

	Title	Name	Stock	Cash	Total	Total as % of the Net Income
Managerial officers	Chairman	Wen-Tung Chou	NT$ 0 thousand	NT$ 0 thousand	NT$ 0 thousand	0%
	Director of the Chairman's Office	Tse-Chung Lin				
	VP of sales	Ming-Yi Lai				
	VP of Production Department	Wen-Chi Chou				
	Head of internal audit	Mu-Lan Hsiao				
	Director of Finance	Mei-Hung Chang				
	Section chief of Accounting Section	Mei-ying Wu				

5. Analysis of the total remuneration paid by the Company and all firms disclosed in the consolidated financial statements, as a percentage of net income shown on the parent-only or separate financial reports, to directors of the board, supervisors, the president and vice presidents during the last two years, and analyze and describe remuneration policies, standards and packages, the procedure for determining remuneration and its relevance to operating performance and future risk exposure:

(1) Analysis of the total remuneration paid, as a percentage of net income, to directors of the board, supervisors, the president and vice presidents during the most recent two years:

Unit: NT$ thousand; %

Year / Title	Total remuneration as % of the Net Income											
	2024				2025				Increase or decrease			
	The Company		All Companies in the Financial Report		The Company		All Companies in the Financial Report		The Company		All Companies in the Financial Report	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
Director	10,715	66.79	12,893	80.37	12,694	(10.66)	14,453	(12.14)	1,979	18.47	1,560	12.10
Managerial officers	10,749	67.01	12,927	80.58	12,519	(10.52)	14,278	(12.00)	1,770	16.47	1,351	10.45

Note 1: The Company full re-elected directors at the annual general meeting of shareholders on June 21, 2024. The term of office of the 13th term of board members is from June 21, 2024 to June 20, 2025.

Note 2: In the 13th term of the board, director Ming-Yi Lai concurrently serves as one of the managerial officers.

The total consolidated remuneration paid to directors and managers in 2025 increased compared to 2024. This was primarily due to an increase in compensation paid to certain directors (and managers) for serving as joint and several guarantors for the Company's obligations during 2025.

(2) Policy on remuneration to directors and supervisors:

According to subparagraph 14 of Article 14 of the Articles of Incorporation, "The remuneration of directors is subject to Article 196 of the Company Act. The board is authorized to determine the

remuneration based on their level of participation in and contribution to the Company's operation. The remuneration follows the standard among industry peers. The remuneration of the chairman shall be calculated based on the income received from the president. The remuneration of the remaining directors shall be paid at a standard that does not exceed the highest salary of the company's employee salary scale. "

Independent directors receive fixed remuneration, and the Measures for Performance Appraisal of Board Members is used as the basis for evaluating each director. Reasonable remuneration is given based on the Company's overall operating performance (financial indicators: operating income, net income before tax, net income after tax), future business risks and development trends in the industry, achievement rate of each director (attendance of board meetings and functional committee meetings, participation in the continuing education courses for directors, recommendations on operating strategy, assessment of future business risks, operations and practical guidance, compliance with code of ethics, and whether there are behaviors leading to a negative image of the Company). The relevant appraisal and rationality of remuneration are reviewed by the Salary and Remuneration Committee, which are submitted to the board for resolution. The remuneration payment measures are reviewed in a timely manner to align with the actual status of operations and relevant laws and regulations to achieve a balance between sustainability and risk control.

(3) Policy on remuneration to managerial officers:

According to Article 16 of the Articles of Incorporation, "The Company shall establish positions of managerial officers (including president), and the appointment, dismissal and remuneration shall comply with Article 29 of the Company Act. The salary and remuneration of the managerial officers needs to be reviewed by the Salary and Remuneration Committee and then submitted to the board of directors for approval. The remuneration, salary, rewards, year-end bonuses, etc. of other employees are reviewed by the president authorized by the board, and are paid based on their contribution to the Company's operations and the standard of other industry peers." "

Managers' remuneration includes salary and bonus, of which the salary is based on the standard of industry peers and factors such as title and rank, education (work experience), professional capabilities and responsibilities. The distribution of bonuses is measured by the operating performance of the Company in the last 3 years, which include financial indicators (revenue, gross profit, net profit, net income before tax, net income after tax), and the performance appraisal of managerial officers (target achievement rate of the departments which they lead and personal target achievement rate, effectiveness of promoting the Company's projects, internal control, compliance with code of ethics, participation in continuing education courses for managerial officers).

(4) According to Article 19-1 of the Articles of Incorporation, "3-5% of the profit of the current year is distributable as employees' compensation and no higher than 4% of the profit of the current year is distributable as remuneration to directors. However, if the Company still has accumulated losses, an amount shall be reserved in advance to make up for the losses, before using the remaining profit for distribution of remuneration. Employee remuneration is mainly in the form of stocks or cash, and the recipients shall include the employees of subsidiaries in which the Company has more than 50% of shareholding. Matters related to the payment of employee remuneration and directors' remuneration are handled in accordance with relevant laws and regulations, determined by the board, and reported to the shareholder meetings. "

III. Implementation of corporate governance

(I) Operation of the board of directors

The 13th term of board of directors has had 12 meetings since June21, 2024, and the attendance of directors is shown as follows:

Title	Name	Actual presence (including attendance as guests)	Attendance by Substitution	Rate of actual presence (attendance)	Remark
Chairman	Honghou Investment Representative of legal person: Wen-Tung Chou	12	—	100%	
Director	Ming-Yi Lai	12	—	100%	
Director	Chin Ying Fa Mechanical Industrial Legal person representative: Yu-Long Shih	10	2	83%	
Director	Shang Cheng Investment Legal person representative: Yi-Sheng Lin	12	—	100%	
Director	Ya-Hui Shih	10	2	83%	
Director	Wen-Po Yang	12	—	100%	
Director	Ping-Yi Chou	11	1	92%	
Independent director	Shui-Chin Chen	12	—	100%	
Independent director	Wan-Chung Chen	12	—	100%	
Independent director	Cheng-Pei Kuo	12	—	100%	
Independent director	Ai-Hui Ke	10	2	83%	

Note 1: The Company re-elected directors at the annual general meeting of shareholders on June 21, 2024. The term of office of the 13th term of board members is from June 21, 2024 to June 20, 2027.

Other issues to be recorded:

I. The date, session, proposal content, and resolution specified and the opinion expressed by independent directors shall be specified under any one of the following circumstances:

(I) Matters specified in Article 14-3 of the Securities and Exchange Act:

The relevant motions have been reported to the board. The opinions of all independent directors on the matters specified in Article 14-3 of the Securities and Exchange Act and meeting information for 2024 and up to the publication date of annual report in 2025 are listed as follows:

Date	Important resolutions (Matters specified in Article 14-3 of the Securities and Exchange Act)	
2025.01.17 The 4th session of the 13th term	1.Resolved to approve the 2024 CPA auditing fees.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out inaccordance with the board resolution.
2025.03.14 The 5th session of the 13th term	1.Resolved to approve the issuance of the Company's Fourth Secured Domestic Convertible Bonds. 2.Resolved to approve the release of the endorsement and guarantee provided by the Company for its subsidiary Acegreen Eco-Material Technology Co., Ltd. 3.Resolved to approve the provision of endorsement and guarantee by the Company for its subsidiary Acegreen Eco-Material Technology Co., Ltd.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.
2025.05.08 The 6th session of the 13th term	1.Resolved to appoint the Company's new head of accounting. 2.Resolved to approve the provision of endorsement and guarantee by the Company for its subsidiary Acegreen Eco-Material Technology Co., Ltd.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.
2025.07.01 The 7th session of the 13th term	1.Resolved to approve the share divestment plan of the Company's subsidiary, Acegreen Eco-Material Technology Co., Ltd. 2.Resolved to approve the disposal of the Company's equity interest in an offshore subsidiary in Vietnam.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.
2025.08.08 The 8th session of the 13th term	1.Resolved to approve the amendment to the Company's "Procedures for Monitoring Subsidiaries." 2.Resolved to approve the provision of endorsement and guarantee by the Company for its subsidiary, Acegreen Eco-Material Technology Co., Ltd. 3.Resolved to approve the amendment to the Company's "Procedures for Calculation and Distribution of Employee Compensation." 4.Resolved to approve the disposal of the subsidiary Acegreen's equity interest to lead underwriters for subscription.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.
2025.11.11 The 9th session of the 13th term	1.Resolved to approve the amendment to the Company's "Procedures for Calculation and Distribution of Employee Compensation." 2.Resolved to approve the provision of endorsement and guarantee by the Company for its subsidiary, Acegreen Eco-Material Technology Co., Ltd.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.
2026.01.30 The 10th session of the 13th term	1.Resolved to approve the establishment of the Company's "Procedures for Issuance of Project Bonuses." 2.Resolved to approve the audit fees for the Company's certified public accountants for fiscal year 2026.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.
2026.05.11 The 12th session of the 13th term	1. Resolved to approve the promotion of the Company's managers.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.

(II) Other board resolutions to which objections or qualified opinions for the record or in writing are expressed by independent directors: None.

II. For the recusal of directors due to conflict of interest, please describe the name of the director, the proposal content, the reason for recusal and the participation in voting:

Date of Board Meeting	Name of Director	Proposal Content	Reasons for Recusal due to Conflict of Interest	Voting Participation Status
2026/01/30 13th Term, 10th Meeting	Chou, Wen-Tung	1.2025 Year-end Bonus for Managers. 2.Remuneration Items for Managers in 2026. 3.Distribution of Project Bonuses for Managers.	Since the listed proposals involved the personal interests of the three directors, they recused themselves from the discussion.	Recused from discussion and voting by leaving the room.
	Lai, Ming-Yi			
	Chou, Ping-Yi			
2026/05/11 13th Term, 12th Meeting	Chou, Wen-Tung	1.Promotion of the Company's Managers.	This proposal involved Director Chou, Ping-Yi's personal interests; therefore, he recused himself.	Recused from discussion and voting by leaving the room.
	Chou, Ping-Yi			

III. The evaluation of the board of directors: Self-evaluation conducted by board members, and an agenda working group also evaluates the functioning of the board. The board meeting held on January 30, 2026 approved the 2025 board evaluation. Please see this page for the status of the evaluation.

IV. An evaluation of targets and performance for strengthening the functional competence of the board during the current and the most recent years:

(I) The board approved the "Board Performance Evaluation" motion on March 25, 2019. At least one internal board performance evaluation should be conducted before the end of each year to improve the quality of the board's decision-making and to be used as reference for selecting or nominating candidates for directors.

(II) In order to ensure the diversity of board members, the board meeting held on March 25, 2019 approved the proposal for "Board Member Diversity".

(III) In order to make the processes handling directors' requests for information or assistance more consistent, and prevent directors' performance of tasks affecting the rights and interests of shareholders, the Company formulated the "Standard Operating Procedures for Directors' Requests", which were approved by the board meeting held on March 25, 2019.

(IV) In order to continuously improve the professionalism of directors and supervisors and to meet regulatory requirements, the Company arranges at least two sessions of courses on corporate governance held by external qualified lecturers.

(V) In order to reinforce the board functions, after the board election held at the 2021 general meeting of shareholders, an Audit Committee was established to further improve corporate governance.

(VI) In order to make information more transparent to overseas institutional investors, the Company has simultaneously released English version of material information starting August 2021.

(VII)In order to promote corporate social responsibility, corporate governance and sustainability, the Company established its Sustainable Development Committee in 2022.

(VIII)The Company conducted a regular risk control assessment to strengthen the Board of Directors' ability to identify significant risks and further enhance the Company's overall risk management capabilities in 2023.

V. Execution of board evaluation

Evaluation cycle	Evaluation period	Scope of evaluation	Assessment methods	Assessment contents
Once a year.	January 1 to December 31, 2025	Board of Directors Meeting	Self-evaluation of the board of directors	1. Participation in the operation of the company 2. Improvement of the quality of the board of directors' decision making 3. Composition and structure of the board of directors 4. Election and continuing education of the directors 5. Internal control
			Self-evaluation of the board of directors	1. Understand the objectives and missions of the Company 2. Understanding of directors' job responsibilities 3. Participation in the operation of the company 4. Internal relationship management and communication 5. Professionalism and continuous education of directors 6. Internal control.
		Functional committee (audit, remuneration, sustainability)	Self-evaluation of functional committee members	1. Participation in the operation of the company 2. Understanding of functional committee's job responsibilities 3. Quality of the functional committees' decision making 4. Composition of functional committees and suitability of members 5. Internal control

Note 1: The Company full re-elected directors at the annual general meeting of shareholders on June 21, 2024. The term of office of the 13th term of board members is from June 21, 2024 to June 20, 2027.

VI. Performance evaluation measures of the board and the results of the 2024 evaluation:

(I) In order to implement corporate governance and improve the operational efficiency of the board, the 5th session of the 11th term of the board held on March 25, 2019 approved the Board Performance Appraisal Measures.

(II) The internal board performance appraisal includes the following five aspects: ① Participation in the operation of the Company; ② Improvement of the quality of the board of directors' decision making; ③ Composition and structure of the board of directors; ④ Election and continuing education of the directors; ⑤ Internal control.

(III) The self-evaluation of individual board member's performance includes the following six aspects: ① Alignment of the goals and missions of the Company; ② Awareness of the duties of a director; ③ Participation in the operation of the Company; ④ Management of internal relationship and communication; ⑤ Director's professionalism and continuing education; 6. Internal control.

(IV) The functional committee performance appraisal includes the following five aspects: ①

Participation in the operation of the Company; ② Awareness of the duties of the functional committee; ③ Improvement of quality of decisions made by the functional committee; ④ Makeup of the functional committee and election of its members; ⑤ Internal control.

(V) Evaluation period: January 1, to December 31, 2025.

(VI) Evaluation method: The self-evaluation of the board, functional committees and each director is conducted in the form of questionnaires.

The self-evaluation of the board as a whole is conducted by the Secretary Office of the board using relevant information. The performance of each individual director and the functional committees is done by each director and each committee member, respectively.

(VII) Responsible unit: Secretary Office of the board (board meeting agenda working group).

(VIII) Evaluation results: In 2025, the actual attendance rate of the board members was 98%, and the attendance rate of directors at the shareholders' meeting was 100%. The board members have knowledge of the Company and its industry, effectively supervise the Company's operations and offer appropriate suggestions. They also have good communication with the management team, put their respective expertise to use, and contribute to the Company.

Results of the comprehensive evaluation of the board performance this year: Excellent.

Average rating of the directors' self-evaluation: Excellent.

Results of the comprehensive evaluation of the Audit Committee: Excellent.

Results of the comprehensive evaluation of the Salary and Remuneration Committee: Excellent.

Results of the comprehensive evaluation of the Sustainable Development Committee: Excellent.

For 2025, the results of the self-evaluation of performance of the board as a whole, functional committees and each board member are all "Excellent", indicating that directors have positive influence on the efficiency and performance of various operations. The board overall operates well, which shows that improvement of the board functions meets the requirements of corporate governance.

(IX) Date of submission to the Board of Directors: January 30th , 2026.

(II) Information regarding Audit Committee operation

The Company has appointed 4 independent audit committee members to help the board improve the performance of corporate governance, and their duties include:

Establish or amend internal control measures, or major financial or operational actions, such as acquisition or disposal of assets, engaging in derivatives trading, etc., and evaluation of the effectiveness of internal control measures.

1. Information on members of the Audit Committee:

Date: April 18, 2026

Title (Note 1)	Conditions / Name	Professional qualifications and experience (Note 2)	Status of independence (Note 3)	Number of other public companies for which the director concurrently serving as an audit committee member
Independent director and convener	Shui-Chin Chen	Specialized in financial accounting. He had worked at Deloitte Taiwan. He is currently a licensed CPA. He is familiar with laws and regulation, and can offer effective recommendations on financial information and risk management.	1. The person, spouse or second-degree relatives are not employees, directors or supervisors of the Company or any of its affiliates. 2. The person and his second-degree relatives are not holding the Company's shares. The spouse has 9 shares. 3. The person, spouse or second-degree relatives are not employees, directors or supervisors of specified companies with which the Company has business relations. 4. Has not provided the Company or its affiliates with business, legal, financial, accounting and other services in the last 2 years. 5. Not been a person of any conditions specified in Article 30 of the Company Act.	3

Independent Director	Wan-Chung Chen	He had worked as the VP of Triocean Textile. He has a professional background in textile fiber and practical management experience. He can offer guidance recommendations on the Company's operations and management.	1. The person, spouse or second-degree relatives are not employees, directors or supervisors of the Company or any of its affiliates. 2. The person, spouse and second-degree relatives do not own company shares. 3. The person, spouse or second-degree relatives are not employees, directors or supervisors of specified companies with which the Company has business relations. 4. Has not provided the Company or its affiliates with business, legal, financial, accounting and other services in the last 2 years. 5. Not been a person of any conditions specified in Article 30 of the Company Act.	0
Independent Director	Ai-Hui Ke	She is currently the Chief Operating Officer of JiaWei Life Style, with expertise in business, finance, and management, as well as extensive practical experience in management. He is capable of providing appropriate guidance and recommendations on linking operational control and performance to the achievement of the Company's business objectives.		1
Independent Director	Cheng-Pei Kuo	He is currently a director and general manager of Honmyue Enterprise Co., Ltd. and has a professional background in textile fibers and practical management experience, and is able to provide timely guidance and advice towards the Company's operational risks and management.		0

Note 1: Please refer to pp. 10-14 for the disclosure professional qualifications of audit committee member and directors and the independence of independent directors.
Note 2: Describe the professional qualifications and experience of each audit committee member.
Note 3: Independence compliance: Describe the compliance of audit committee members with independence requirements.
Note 4: The Company full re-elected directors at the annual general meeting of shareholders on June 21, 2024. The term of office of the committee members is from June 21, 2024 to June 20, 2027.

2. Information regarding Audit Committee operation:

The 2nd term of the Audit Committee has had 11 meetings since June 21, 2024 till now, the attendance of independent directors is as follows:

Title	Name	Actual Attendance in Person	Attendance by Substitution	Percentage of Actual Attendance	Remarks
Independent Director	Shui-Chin Chen	11	-	100%	
Independent Director	Wan-Chung Chen	11	-	100%	
Independent Director	Cheng-Pei Kuo	11	-	100%	
Independent Director	Ai-Hui Ke	10	1	91%	

Note1: The Company full re-elected directors at the annual general meeting of shareholders on June 21, 2024. The term of office of the committee members is from June 21, 2024 to June 20, 2027.

Other issues to be recorded:

I. The date, session, proposal content, and resolution specified and the opinion expressed by the Audit Committee, and the Company's handling of the Audit Committee's comments shall be specified under any one of the following circumstances.

(I) Matters specified in Article 14-5 of the Securities and Exchange Act:

The date of the meeting of the Audit Committee	Content of Motions	Any objection, expression of reservations or significant recommendations by independent directors	Results of the Audit Committee's resolution	Company's handling of the Audit Committee's opinions
2025.01.17 The 3rd session of 2nd term	1. Deliberation on the evaluation of the independence of the Company's certified public accountant. 2. Deliberation on the audit fee for the Company's certified public accountant for the year 2025.	None	Unanimous vote by all committee members in presence.	Reported to the board meeting on 2025.01.17 and unanimously approved by all board members in presence, which would be carried out in accordance with the board resolution.
2025.03.14 The 4th session of 2nd term	1. Deliberation on the Company's financial statements for the year 2024 (Republic of China Year 113). 2. Deliberation on the Company's appropriation	None	Unanimous vote by all committee members in presence.	Reported to the board meeting on 2025.03.14 and unanimously approved by all board members in

The date of the meeting of the Audit Committee	Content of Motions	Any objection, expression of reservations or significant recommendations by independent directors	Results of the Audit Committee's resolution	Company's handling of the Audit Committee's opinions
	of profits or deficit for the year 2024. 3. Deliberation on the Company's internal control system self-assessment declaration. 4. Deliberation on the issuance of the Company's Fourth Secured Domestic Convertible Bonds. 5. Deliberation on the Company's plan to cooperate with the subsidiary Acegreen Eco-Material Technology Co., Ltd. for its future application for stock listing (or over-the-counter listing), and the Company may proceed with the equity disposal and waive participation in the subsidiary's capital increase plan. 6. Deliberation on the release of the endorsement and guarantee provided by the Company for its subsidiary Acegreen Eco-Material Technology Co., Ltd. 7. Deliberation on the provision of endorsement and guarantee by the Company for its subsidiary Acegreen Eco-Material Technology Co., Ltd.			presence, which would be carried out in accordance with the board resolution.
2025.05.08 The 5th session of 2nd term	1. Deliberation on the Company's Q1 2025 consolidated financial statements. 2. Deliberation on the appoint the Company's new head of accounting. 3. Deliberation on the provision of endorsement and guarantee by the Company for its subsidiary Acegreen Eco-Material Technology Co., Ltd.	None	Unanimous vote by all committee members in presence.	Reported to the board meeting on 2025.05.08 and unanimously approved by all board members in presence, which would be carried out in accordance with the board resolution.
2025.07.01 The 6th session of 2nd term	1. Deliberation on the share disposal plan of the subsidiary, Acegreen. 2. Deliberation on the disposal of the Company's equity interests in the offshore Vietnamese investee company.	None	Unanimous vote by all committee members in presence.	Reported to the board meeting on 2025.07.01and unanimously approved by all board members in presence, which would be carried out in accordance with the board resolution.

The date of the meeting of the Audit Committee	Content of Motions	Any objection, expression of reservations or significant recommendations by independent directors	Results of the Audit Committee's resolution	Company's handling of the Audit Committee's opinions
2025.08.08 The 7th session of 2nd term	1. Deliberation on the Company's Q2 2025 consolidated financial statements. 2. Deliberation on the provision of endorsement and guarantee by the Company for Acegreen. 3. Deliberation on the proposed sale of the Company's patent and trademark rights to the subsidiary, Acegreen. 4. Deliberation on the amendments to the Company's "Operating Performance Special Bonus Issuance Rules", "Procedures for Monitoring and Control of Subsidiaries", and "Rules for Calculation and Issuance of Employee Compensation". 5. Deliberation on the capital increase for the subsidiary, Acegreen. 6. Resolution to approve the disposal of the subsidiary Acegreen's shares for subscription by the Lead Underwriter/Sponsoring Broker.	None	Unanimous vote by all committee members in presence.	Reported to the board meeting on 2025.08.08 and unanimously approved by all board members in presence, which would be carried out in accordance with the board resolution.
2025.11.11 The 8th session of 2nd term	1. Deliberation on the Company's Q3 2025 consolidated financial statements. 2. Deliberation on the Company's 2026 "Annual Audit Plan." 3. Deliberation on the amendments to the Company's "Rules for Calculation and Issuance of Employee Compensation." 4. Deliberation on the provision of endorsement and guarantee by the Company for Acegreen.	None	Unanimous vote by all committee members in presence.	Reported to the board meeting on 2025.11.11 and unanimously approved by all board members in presence, which would be carried out in accordance with the board resolution.
2026.01.30 The 9th session of 2nd term	1. Deliberation on the assessment of the independence of the Company's certified public accountants (CPAs). 2. Deliberation on the 2026 audit fees for the Company's certified public accountants. 3. Deliberation on the establishment of the Company's "Rules for Issuance of Project Bonuses."	None	Unanimous vote by all committee members in presence.	Reported to the board meeting on 2026.01.30 and unanimously approved by all board members in presence, which would be carried out in accordance with the board resolution.

The date of the meeting of the Audit Committee	Content of Motions	Any objection, expression of reservations or significant recommendations by independent directors	Results of the Audit Committee's resolution	Company's handling of the Audit Committee's opinions
2026.03.13 The 10th session of 2nd term	1. Deliberation on the Company's 2025 financial statements. 2. Deliberation on the Company's 2025 deficit compensation proposal. 3. Deliberation on the Company's "Statement of Internal Control System." 4. Deliberation on the distribution of cash from capital surplus by the Company.	None	Unanimous vote by all committee members in presence.	Reported to the board meeting on 2026.03.13 and unanimously approved by all board members in presence, which would be carried out in accordance with the board resolution.
2026.05.11 The 11th session of 2nd term	1. Deliberation on the Company's Q1 2026 consolidated financial statements.	None	Unanimous vote by all committee members in presence.	Reported to the board meeting on 2026.03.13 and unanimously approved by all board members in presence, which would be carried out in accordance with the board resolution.

(II) Except for the above mentioned matters, others which have not been passed by the Audit Committee but have been approved by more than two-thirds of all directors: None.

II. For the recusal of independent directors due to conflicts of interests, please describe the name of the independent director, the content of motion, the reason for recusal and the participation in voting: None.

III. Communication between independent directors and internal auditing managers and accountants (communicate materiality, methods and results of the Company's financial and business conditions):

Date of the Meeting	Matters to be Communicated	Methods of communications	Results
2026.03.13 2026 Independent directors, accountants and auditing supervisors' joint symposium	1.The Company's 2025 financial statements. 2. 2025 key audit matters. 3. Internal control system self-evaluation statement	Symposium, presentation	Has communicated on governance matters related to the review of financial statements, and there are no abnormalities, major review adjustments and differences or undisclosed matters. Everyone in presence was notified, and expressed no objection.

(III) Continuing education of directors

Title	Name	Elected Date	Date of continuing education courses		Host	Course name	Course hours
			Start	End			
Director	Wen-Tung Chou	2024/06/21	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	The Way of Corporate Sustainability and Resilience Management.	3
			2025/06/17	2025/06/17	Taiwan Corporate Governance Association	Important Civil and Criminal Liabilities of Directors and Case Studies.	3
			2025/07/19	2025/07/19	Taipei Exchange (TPEx)	Practicing Sustainable Development Through the TPEx Market: Benchmarking Actions in the Era of Co-governance.	3
			2025/11/15	2025/11/15	Commerce Development Research Institute (CDRI)	Corporate Governance and Corporate Sustainable Development Workshop.	3
Director	Ming-Yi Lai	2024/06/21	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	The Way of Corporate Sustainability and Resilience Management.	3
			2025/06/17	2025/06/17	Taiwan Corporate Governance Association	Important Civil and Criminal Liabilities of Directors and Case Studies.	3

Title	Name	Elected Date	Date of continuing education courses		Host	Course name	Course hours
			Start	End			
Director	Yu-Long Shih	2024/06/21	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	The Way of Corporate Sustainability and Resilience Management.	3
			2025/06/17	2025/06/17	Taiwan Corporate Governance Association	Important Civil and Criminal Liabilities of Directors and Case Studies.	3
Director	Ya-Hui Shih	2024/06/21	2025/06/17	2025/06/17	Taiwan Corporate Governance Association	Important Civil and Criminal Liabilities of Directors and Case Studies.	3
			2025/11/07	2025/11/07	Taiwan Corporate Governance Association	Latest Trends in Corporate Governance from the Perspective of Corporate Governance Evaluation Indicators.	3
			2025/11/28	2025/11/28	Taiwan Corporate Governance Association	Dual-Axis Transformation for Strengthening Organizational Resilience: AI Governance and Sustainability Governance.	3
Director	Yi-Sheng Lin	2024/06/21	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	The Way of Corporate Sustainability and Resilience Management.	3
			2025/06/17	2025/06/17	Taiwan Corporate Governance Association	Important Civil and Criminal Liabilities of Directors and Case Studies.	3

Title	Name	Elected Date	Date of continuing education courses		Host	Course name	Course hours
			Start	End			
Director	Wen-Po Yang	2024/06/21	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	The Way of Corporate Sustainability and Resilience Management.	3
			2025/06/17	2025/06/17	Taiwan Corporate Governance Association	Important Civil and Criminal Liabilities of Directors and Case Studies.	3
Director	Ping-Yi Chou	2024/06/21	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	The Way of Corporate Sustainability and Resilience Management.	3
			2025/06/17	2025/06/17	Taiwan Corporate Governance Association	Important Civil and Criminal Liabilities of Directors and Case Studies.	3
Independent Director	Wan-Chung Chen	2024/06/21	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	The Way of Corporate Sustainability and Resilience Management.	3
			2025/06/17	2025/06/17	Taiwan Corporate Governance Association	Important Civil and Criminal Liabilities of Directors and Case Studies.	3
Independent Director	Ai-Hui Ke	2024/06/21	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	The Way of Corporate Sustainability and Resilience Management.	3
			2025/06/17	2025/06/17	Taiwan Corporate Governance Association	Important Civil and Criminal Liabilities of Directors and Case Studies.	3

Title	Name	Elected Date	Date of continuing education courses		Host	Course name	Course hours
			Start	End			
Independent Director	Cheng-Pei Kuo	2024/06/21	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	The Way of Corporate Sustainability and Resilience Management.	3
			2025/06/17	2025/06/17	Taiwan Corporate Governance Association	Important Civil and Criminal Liabilities of Directors and Case Studies.	3
Independent Director	Shui-Chin Chen	2024/06/21	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	The Way of Corporate Sustainability and Resilience Management.	3
			2025/06/17	2025/06/17	Taiwan Corporate Governance Association	Important Civil and Criminal Liabilities of Directors and Case Studies.	3
			2025/08/12	2025/08/12	Taiwan Corporate Governance Association	Trump 2.0: Corporate Response Strategies for Global Tax Reform and Supply Chain Restructuring.	3
			2025/11/12	2025/11/12	Taiwan Corporate Governance Association	Technology and Trends: The Development and Business Impact of AI.	3
			2025/11/13	2025/11/13	Taiwan Corporate Governance Association	Crisis Decoded: How to Achieve Business Longevity in the Age of Black Swans.	3
			2025/11/13	2025/11/13	Taiwan Corporate Governance Association	Discussion on Business Risks and Legal Liabilities of Directors and Supervisors under Corporate Governance.	3

(IV) Managerial officers participating in continuing education and training related to corporate governance:

Date	Course name	Teaching unit	Hours	Name/title of managerial officer
2025/04/11-05/24	Elite Program for Multinational Local Operations	Taiwan Industrial Renaissance Institute (TIRI)	54	Chou Bing-Yi / Special Assistant to the Chairman's Office
2025/05/08	The Way of Corporate Sustainability and Resilience Management	Deloitte & Touche	3	Wen-Tung Chou/Chairman Tse-Chung Lin/Director of the Chairman's Office Ming-Yi Lai/VP of Sales Department Wen-Chi Chou/VP of Production Department Bing-Yi Chou/ Special Assistant to the Chairman's Office Mu-Lan Hsiao/ Audit Officer Mei-Hung Chang/Director of Finance, head of corporate governance
2025/05/28	Must-Knows Under US Tariff Policies: Substantial Transformation Rules, Reciprocal Tariffs and Country of Origin Marking, and Government Subsidy Programs	Importers and Exporters Association of Taipei (IEAT)	4	Wu Mei-Ying / Deputy Section Chief of Accounting Department
2025/06/10	ChatGPT x Excel: Essential Business Data Analysis Techniques for the Workplace	Taiwan Textile Federation (TTF)	6	Chou Bing-Yi / Special Assistant to the Chairman's Office
2025/06/17	Important Civil and Criminal Liabilities of Directors and Case Studies	Formosa Transnational Attorneys at Law	3	Wen-Tung Chou/Chairman Tse-Chung Lin/Director of the Chairman's Office Ming-Yi Lai/VP of Sales Department Wen-Chi Chou/VP of Production Department Ping-Yi Chou/ Special Assistant to the Chairman's Office Mu-Lan Hsiao/ Audit Officer Wu Mei-Ying / Deputy Section Chief of

				Accounting Department Section Mei-Hung Chang/Director of Finance, head of corporate governance
2025/07/09	2025 Cathay Sustainable Finance and Climate Change Summit Forum	Taiwan Stock Exchange (TWSE)	6	Mei-Hung Chang/Director of Finance, head of corporate governance
2025/07/22	Sustainable Development Seminar (Taichung Session)	Taiwan Corporate Governance Association (TCGA)	3	Mei-Hung Chang/Director of Finance, head of corporate governance
2025/07/14-07/23	Continuing Education Program for Newly Appointed Accounting Managers of Issuers, Securities Firms, and Stock Exchanges	Accounting Research and Development Foundation (ARDF)	30	Wu Mei-Ying / Deputy Section Chief of Accounting Department
2025/09/01	Seminar on Key Internal Control and Internal Audit Points for "Regulatory Compliance"	The Institute of Internal Auditors-Chinese Taiwan (IIA-Taiwan)	6	Mu-Lan Hsiao/ Audit Officer
2025/09/19	Analysis of Sustainability Reports and Auditing Practice of Sustainability Information	The Institute of Internal Auditors-Chinese Taiwan (IIA-Taiwan)	6	Mu-Lan Hsiao/ Audit Officer
2025/11/11	Gender Equality Awareness Course for the Board of Directors	Secretariat of the Board of Directors, Acelon Chemicals and Fibre Co., Ltd.	1	Wen-Tung Chou/Chairman Tse-Chung Lin/Director of the Chairman's Office Ming-Yi Lai/VP of Sales Department Wen-Chi Chou/VP of Production Department Ping-Yi Chou/ Special Assistant to the Chairman's Office Mu-Lan Hsiao/ Audit Officer Wu Mei-Ying / Deputy Section Chief of Accounting Department Section Mei-Hung Chang/Director of Finance, head of corporate governance

(V) Status of corporate governance implementation and the difference from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons:

Issues to be assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
1. Does the Company follow the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" to establish and disclose its corporate governance practices?	✓		We have established the Corporate Governance Best Practice Principles and disclosed the results on the Company's website.	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
2. Shareholding structure and shareholders' equity (1) Does the Company have internal operating procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	✓		The Company has provided an investor inquiry form on its website, and coordinated a shareholder services agent and finance units to handle shareholders' suggestions, concerns, disputes and litigation matters.	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
(2) Does the Company possess a list of major shareholders and beneficial owners of these major shareholders?	✓		Handled and controlled by the shareholder services agent and finance units.	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
(3) Has the Company built and executed a risk management system and "firewall" between the Company and its affiliates?	✓		Has been formulated in the internal control system and relevant measures.	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
(4) Has the Company established internal rules prohibiting insider trading on undisclosed information?	✓		The Company has formulated the Procedures for Handling Material Inside Information and the Procedures for Ethical Operations Management and Guidelines for Conduct as reference.	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
3. Composition and responsibilities of the board of directors (1) Has the board established a policy on diversity and specific management objectives, and have they been implemented accordingly?	✓		We have established a board diversity policy for compliance, and disclosed the relevant policy content on the Company's website. It is hoped that the diverse experience of directors will continue to strengthen corporate governance and operating synergy. Specific management objectives: Gender (at least 1 female director), independence (at least 3 independent directors) and professional experience (at least 2 seats with textile industry background; at least 2 seats with finance background), and evaluates whether they can perform their duties after joining the board and bring the most benefits to the Company. Among the directors, 27% concurrently hold a position as an employee. 36% are independent directors, and 27% are female directors, and the 4 independent directors have not served more than three terms. For the knowledge, skills and competence required to perform directors'	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Issues to be assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			duties, re-election of directors and independent directors, regular performance appraisal of the board and the selection of suitable candidates, please refer to pp. 10-14.	
(2) Other than the salary and remuneration committee and the audit committee which are required by law, does the Company plan to set up other functional committees?	✓		Other than the salary and remuneration committee and the audit committee which are required by law, the Company has established a sustainable development committee in 2022 to reinforce the management function and realize corporate social responsibility and sustainable management. The Company will assess the needs of regulations, company operation and management to establish other functional committees.	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
(3) Has the Company established its Board Performance Appraisal Measures and the evaluation methods, conducted the performance appraisal regularly every year and provided the results to the board as the reference for directors' remuneration and nomination and renewal?	✓		The Company has established the Board Performance Appraisal Measures, and complete the performance evaluation before the end of the next quarter after each fiscal year ends. The results are submitted to the board for approval as a reference for future nomination and continued appointment. For details, please refer to pp.30-31.	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
(4) Does the Company regularly evaluate its external auditors' independence?	✓		The CPA firm and CPAs appointed by the Company have no conflict of interest with the Company, and they strictly abide by their independence. We follow Article 47 of the Certified Public Accountant Act and the Bulletin #10 of the Code of Ethics for Professional Accountants to evaluate their independence and suitability at least once a year. The certified public accountant (CPA) provided a "Statement of Independence" and the "13 Audit Quality Indicators (AQIs)." In accordance with the "Audit Committee Guide for Interpreting Audit Quality Indicators (AQIs)" issued by the competent authority, the Company assessed the audit quality of the CPA firm and the audit team. The Company inquired about AQI items that significantly deviated from industry peers and requested explanations from the CPA firm. It was confirmed that, aside from the fees related to attestation and tax matters, there were no other financial interests or business relationships between the CPA and the Company. The CPA and the members of the	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Issues to be assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			Board of Directors are not related parties, and there were no violations of independence requirements. Based on the AQI information, it was confirmed that both the CPA and the CPA firm exceeded the industry average in audit experience and training hours. The most recent evaluation of the CPA's independence was reviewed and approved by the Company's 2nd Audit Committee (9th meeting) and the 13th Board of Directors (10th meeting) on January 30, 2026. For details regarding the evaluation items and the CPA firm's statement, please refer to page 135.	
4. Has the Company allocated qualified and sufficient number of personnel and appointed managers in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors and supervisors, assisting directors and supervisors to comply with laws, handling matters relating to board meetings and shareholder meetings according to laws, recording minutes of board meetings and shareholder meetings, etc.)?	✓		The Company has established a dedicated unit responsible for handling corporate governance tasks. Mei-Hung Chang, Director of Finance, was appointed to serve concurrently as the head of corporate governance. Corporate governance personnel was appointed to be responsible for handling tasks related to corporate governance. The implementation is to establish good practices for corporate governance, assist directors in carrying out their duties, ensure shareholders' rights and interests and improve the board's effectiveness. Mei-Hung Chang has more than three years of managerial experience in the financial management field of public companies. (1) Job responsibilities include: 1.Assist independent directors and non-executive directors to perform their duties, provide required information and arrange continuing education courses for directors. 2. Assist in the regulatory compliance matters of the procedures of board and shareholder meetings. 3. Maintain investor relations. 4.Formulate agenda of board meetings, convene the meetings and provide meeting materials before the date required by regulations. Complete the meeting minutes and distribute them to board members after the meetings. 5.Pre-registration of the date of shareholder meetings, prepare meeting notice, meeting handbook, meeting minutes and the change of business registration before the statutory time limit.	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Issues to be assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			6. Based on the materiality principle, release material information immediately to investors. (2) Tasks carried out for 2025: 1.Assist directors in performing their duties, and provide the information they need. 2.Assist in the regulatory compliance matters with board and shareholder meetings, and complete the change registration matters with the competent authority before a deadline. 3.Arrange 2024 directors' continuing education courses for directors. 4.Communicate with directors and investors from time to time, so that they can understand the Company's current status. 5.Complete renewal of liability insurance policies for directors and key employees. the directors. 6.Before the board meetings, ask for the opinions of each director to formulate agenda. Complete the meeting minutes in accordance with the laws and regulations and send them to the directors. 7.Registration of the date of shareholder meetings, and submit annual reports, meeting notice, meeting handbook and meeting minutes before the statutory time limit.	
5. Has the Company 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?	✓		The company website has a dedicated section for stakeholders. The Company maintains good communication with stakeholders such as banks, other creditors, employees, suppliers, communities or other companies, and exchanges opinions through an annual stakeholder survey.	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
6. Has the Company appointed a dedicated shareholder services agent to handle shareholder meeting matters?	✓		The Company has entrusted KGI Securities Co., Ltd. as the dedicated shareholder services agent.	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
7. Information disclosure (1)Has the Company established a public website to disclose operational, financial, and corporate governance information?	✓		The disclosure of important information and messages on governance is announced through the Market Observation Post System for transparency, and communication channels are also available on the company website.	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
(2)Has the Company adopted other methods of information disclosure (e.g., setting up an English website, designating	✓		The Company's website is available in English version and is maintained by a dedicated unit. We have implemented a system of spokesperson and acting spokesperson, and	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Issues to be assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
a specialist responsible for gathering and disclosing Company information, setting up a spokesperson system, uploading recordings of investor conferences onto the Company website)?			used the Market Observation Post System to release material information. The presentation materials used in the institutional investor meeting for each year are announced on the Market Observation Post System and the Company's official website for all stakeholders to review.	
(3)Has the Company published and reported its annual financial report within two months after the end of a fiscal year, and published and reported its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.		✓	The Company's financial reports and revenue announcements are submitted on time in accordance with the laws and regulations without delay. However, due to a tight work schedule, the annual financial reports have not been announced within two months after the end of the fiscal year.	Not complying with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
8. Does the Company 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, and risk measurement standards as well as the implementation of client policies and the Company's purchase of liability insurance for its directors and supervisors)?	✓		(1) Presence and attendance of directors at board meetings: Attendance is good, and provide recommendations on a timely manner. (2) Continuing education of directors and supervisors: Please see pp. 39-42. (3) Supplier relationship: Maintain good interactions with suppliers and formulate supplier management policies. Regularly inspect the products they supply, and negotiate prices with them from time to time to ensure the quality and cost of purchases that can be competitive in the market. (4) Implementation of customer policies: Maintain communication with customers, regularly track and understand product use status, grasp the latest status of customers, and provide the best service. (5) The Company purchases liability insurance policies for directors and key managerial officers every year. (6) Employee rights and interests: The Company has a collective agreement with the labor union, and holds regular meetings for bilateral communication to ensure the best interests of employees. Through the formulation of relevant performance measures, employees are given incentives based on their performance. (7) Employee care: Regularly hold labor and employer meetings to improve the	Comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Issues to be assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			employment relationship and ensure clearly define the labor relations and conditions. (8) Investor relations: The Company announces material information on the Market Observation Post System in accordance with the law to protect the rights and interests of investors and has a spokesperson system to provide appropriate explanations to inquiries from investors. (9) Interests of stakeholders: In order to protect the rights and interests of stakeholders, the Company has established good and smooth communication channels as a practice to respect and safeguard stakeholders' rights and interests. (10) Implementation of risk management policies and risk measurement standards: The Company has formulated various internal regulations according to law, carried out various risk management and assessment measures, and implemented them accordingly.	

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.

(1) Already improved:

① Preparation of sustainability reports in accordance with the latest version of the GRI guidelines.

② Submission of the sustainability report to the Board of Directors for approval.

(2) Matters to be prioritized:

① Formulation of concrete measures to enhance corporate value

② Employee satisfaction survey and improvement action plan .

③ The Company will continue to follow the Corporate Governance Roadmap and strengthen effectiveness in the areas of "enhancing information transparency" and "reinforcing the structure and operations of the Board of Directors" to further improve its corporate governance practices.

(VI) Salary and Remuneration Committee

Salary and Remuneration Committee has three members. It has completed the review of the 2025 remuneration system, the remuneration of directors, supervisors and managerial officers and other related motions, and submitted the relevant deliberation results to the board for approval.

1. Information on members of the Salary and Remuneration Committee:

Date:April 18, 2026

Title (Note 1)	Conditions / Name	Professional qualifications and experience (Note 2)	Status of independence (Note 3)	Number of other public companies for which the director concurrently serving as a salary and remuneration committee member
Independent director and convener	Shui-Chin Chen	Specialized in financial accounting. He had worked at Deloitte Taiwan. He is currently a licensed CPA. He is familiar with laws and regulation, and can offer effective recommendations on the remuneration policy and configuration of structure.	None of the independent directors are involved in the following circumstances, and they all meet the criteria for independence: 1. Not been a person of any conditions defined in Article 30 of the Company Act. 2. In accordance with the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter", there were no circumstances involved as specified in subparagraph 5 to 8, paragraph 1, Article 6 in the first two years of the appointment and during the term of office. 3. The amount of remuneration received by providing the Company or its affiliates with business, legal, financial, accounting and other services in the last 2 years: None.	3
Independent Director	Wan-Chung Chen	He had worked as the VP of Triocean Textile. He has a professional background in textile fiber and practical management experience, and is familiar with the characteristics of the textile industry and the salary standard and structure of the industry.		0
Independent Director	Ai-Hui Ke	She is currently serving as the Chief Operating Officer of JiaWei Life Style Co., Ltd. With expertise in business and financial management, along with extensive experience in corporate operations, she is well-positioned to provide valuable guidance and recommendations on operational control and the alignment of performance with the Company's business objectives.		1

Note 1: Please refer to pp. 10-14 for the table on directors' information.

Note 2: Describe the professional qualifications and experience of each salary and remuneration committee member.

Note 3: Independence compliance: Describe the compliance of salary and remuneration committee members with independence requirements.

Note 4: The Company full re-elected directors at the annual general meeting of shareholders on June 21, 2024. The term of office of the 6th term of the Salary and Remuneration Committee members is from June 21, 2024 to June 20, 2027.

2. Operations of the Salary and Remuneration Committee

(1) The Salary and Remuneration Committee has 3 members.

(2) The 6th term of the Salary and Remuneration Committee has had 6 meetings since June 21, 2024 till now.

Qualifications and attendance of committee members:

Title	Name	Actual Attendance in Person	Attendance by Substitution	Percentage of Actual Attendance (%)	Remark
Independent Director (Convener)	Wan-Chung Chen	6	0	100%	—
Independent Director	Shui-Chin Chen	6	0	100%	—
Independent Director	Ai-Hui Ke	6	0	100%	—

Other issues to be recorded:

I. If the board of directors does not adopt or amend the recommendations from the Salary and Remuneration Committee, it shall clarify the date, session, proposal content and resolution of the board and how the Company handles the recommendations of the Committee (such as that the salary and remuneration approved by the board are better than what the Committee recommended, and the differences and reasons should be clarified): None.

II. If the Committee members have objections or reservations and there are records or written statements from the meetings, the date, term, proposal content, opinions of all members and the handling of their opinions shall be clearly stated: None.

3. The Salary and Remuneration Committee provided review and assessment of the salary and remuneration information for 2025 along with the data up to the latest quarter as follows:

Meeting date	Discussion Topics	Resolutions	Company's Opinions
2025/01/17 The 2nd session of the 6th term	1. Proposal for the Payment of Directors' Remuneration for 2025. 2. Proposal for the 2025 Compensation Items for Managers and the Distribution of 2024 Year-End Bonuses.	Unanimous vote of approval by all committee members in presence.	Submitted to the board for discussion, and unanimous approval by all directors present at the board meeting.
2025/05/08 The 3rd session of the 6th term	1.Payment of salary and remuneration for the newly appointed head of accounting of the Company.	Unanimous vote of approval by all committee members in presence.	Submitted to the board for discussion, and unanimous approval by all directors present at the board meeting.
2025/08/08 The 4th session of the 6th term	1.Deliberation on the incentive plan for the Company's 4th issuance of domestic secured convertible bonds. 2.Deliberation on the amendments to the Company's "Operating Performance Special Bonus Issuance Rules," "Procedures for Monitoring and Control of Subsidiaries," and "Rules for Calculation and Issuance of Employee Compensation." 3.Deliberation on the 2024 operating performance special bonus distribution for the Company's managers.	Unanimous vote of approval by all committee members in presence.	Submitted to the board for discussion, and unanimous approval by all directors present at the board meeting.
2026/01/30 The 5th session of the 6th term	1.Deliberation on the remuneration for Directors of the Company for the year 2025. 2.Deliberation on the remuneration items for managers for the year 2025 and the distribution of the 2024 year-end bonuses. 3.Deliberation on the establishment of the Company's "Rules for Issuance of Project Bonuses."	Unanimous vote of approval by all committee members in presence.	Submitted to the board for discussion, and unanimous approval by all directors present at the board meeting.
2026/05/11 The 6th session of the 6th term	1.Deliberation on the job rotation of the Company's managers. 2.Deliberation on the promotion of the Company's managers.	Unanimous vote of approval by all committee members in presence.	Submitted to the board for discussion, and unanimous approval by all directors present at the board meeting.

Note: The Company full re-election directors at the annual general meeting of shareholders on June 21, 2024. The term of office of the 6th term of the Salary and Remuneration Committee members is from June 21, 2024 to June 20, 2027.

4. Duties and powers of the Salary and Remuneration Committee:

(1) The Salary and Remuneration Committee shall faithfully perform the following duties with attention as a good administrator and shall submit its recommendations to the board for discussion.
However, recommendations regarding compensation for independent directors may be submitted to the board for discussion only when the board is expressly authorized to resolve on that matter by the Articles of Incorporation or by a resolution of the shareholders meeting:

① Establish and periodically review the annual and long-term performance for the directors and managerial officers and the standard and structure for their compensation.

② Regularly assess the performance targets of the directors and managerial officers and determine conditions and amount of each individual's salary and remuneration.

(2) The Salary and Remuneration Committee shall abide by the following principles when fulfilling the abovementioned duties:

①The performance evaluation of the directors and managerial officers and their salary and compensation shall be considered in reference to the payment standard among industry peers and individual performances, in relevance to its reasonableness with the Company's operating performance and future risks.

② It shall not produce an incentive for the directors or managerial officers to engage in activities to pursue remuneration exceeding the risks that the company may tolerate.

③It shall take into consideration the characteristics of the industry and the nature of the company's business when determining the ratio of bonus payout based on the short-term performance of its directors and senior managerial officers and the time for payment of the variable part of remuneration.

(VII) Status of promotion of sustainable development and its difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons:

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
1、Has the Company established a governance structure to promote sustainable development, and set up a dedicated (or one holding concurrent positions) unit to promote sustainable development, with the board authorizing the senior management to manage the organization which is supervised by the board?	✓		The Company has established the "Sustainable Development Committee" under the board, which is composed of at least 3 board members, including at least 2 independent directors. The chairman serves as the convener and chairperson of the meetings. The term of office is the same as that of the appointed board. Responsible for the planning of strategies and systems related to the annual implementation plans of sustainability and corporate governance. The committee holds meetings at least twice a year and produces reports to the board at least once a year (The reporting date for 2025 is November 11, 2025). The Board of Directors oversees the implementation of sustainable development by the Sustainable Development Committee. This includes assessing and reviewing sustainable development indicators, relevant risk policies, and response strategies; the execution plans and improvement items for Corporate Governance Evaluations; the achievement of corporate sustainability strategies and target control lists; as well as educational training related to ethical management and intellectual property management. The Board also periodically reviews the outcomes presented by the Sustainable Development Committee and adjusts strategic goals as appropriate. For detailed implementation status, please refer to pages 74-75.	Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.
2、Has the Company conducted risk assessments on environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle, and formulated relevant risk		✓	In accordance with the "Corporate Risk Management Best Practice Principles for Listed and Over-the-Counter Companies," the Company has established the "Risk Management Policy and Procedures," with a focus on evaluating relevant risk factors at the parent company level.	Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies to an extent.

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
management policies and strategies?			Based on significant domestic and international issues of the year, the Company adopts the principle of materiality, using the three key areas of Environmental, Social, and Governance (ESG) as the foundation for identifying risks. Senior internal executives are interviewed through a survey, and the risk factors exposed based on the survey results are compiled into a risk matrix. Corresponding control measures and follow-up actions are then proposed.	
3、Environmental issues				
(1)Has the Company set an environmental management system designed to industry characteristics?	✓		The Company has established the "Environmental Protection Management Rules" to exercise control over the following areas: air pollution prevention, water pollution prevention, waste management, toxic substance management, noise pollution control, environmental hygiene, energy conservation and carbon reduction, and other items stipulated by environmental protection laws and regulations. The Company has also established the "Environmental Protection, Safety, and Health Committee," which meets quarterly to review and deliberate on the implementation of environmental protection operations and occupational safety and health management. A total of four meetings were held in 2025. The Company continues to promote the ISO 14001 Environmental Management System and has obtained certification (latest certificate valid until April 17, 2026). The Safety and Health Section is responsible for implementing the relevant systems, establishing an effective corporate management framework to prevent and control pollution, and enhancing the efficiency of energy and resource utilization. We continuously strengthen various pollution prevention measures and	Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies to an extent.

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
			undergo annual external audits to ensure the effective operation of the management system. In 2025, the Company completed three environmental management programs; the primary measures involved installing drip trays to prevent oil and chemical leaks from production lines, thereby reducing environmental pollution. Furthermore, in accordance with the characteristics of the textile industry, the Company has obtained the Oeko-Tex Standard 100 certification for eco-textiles (valid until July 15, 2026). All relevant environmental management activities are conducted in accordance with environmental laws and regulations, and all required discharge permits for pollution sources have been obtained in accordance with the law.	
(2)Is the Company committed to improving energy efficiency and to the use of renewable materials with low environmental impact?	✓		The Company is committed to the improvement of manufacturing processes and products, utilizing recycling technologies to regenerate raw materials into fibers. Our future research direction will focus on the circular economy as the core axis for extended development. We will continue to use various recycled materials to develop eco-friendly products, significantly reducing carbon emissions, practicing environmental friendliness, and slowing the depletion of petrochemical resources.Currently, nine major product categories have been verified by SGS Taiwan and have obtained the "ISO 14067 Carbon Footprint Verification Statement" with a reasonable assurance level.The Company promotes energy conservation across all plant areas to eliminate resource waste and has implemented an electronic signing system. In 2025, the Company invested NT$88.14 million in various energy-saving action plans, resulting in	Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

<table>
<tr><th rowspan="2">Issues to be Assessed</th><th colspan="3">Implementation Status</th><th rowspan="2">Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>an average annual carbon reduction of 630 metric tons of $CO_2e, effectively implementing a low-carbon transition.The Company's statistics regarding the use of renewable and non-renewable energy cover the parent company's three plant sites (Puyan, Fangyuan, and Douliu). The relevant energy disclosure data are as follows:
<table>
<tr><th>Year</th><th>2024 (GJ)</th><th>2025 (GJ)</th></tr>
<tr><td>Direct Energy (Diesel)</td><td>90.455</td><td>79.55</td></tr>
<tr><td>Indirect Energy (Purchased Electricity)</td><td>291,385.44</td><td>251,339.00</td></tr>
<tr><td>Non-renewable Energy</td><td>291,475.89</td><td>251,418.54</td></tr>
<tr><td rowspan="2">Renewable Energy</td><td>1,779.8 (Self-Consumption)</td><td>1,704.24 (Self-Consumption)</td></tr>
<tr><td>0.00 (Purchase)</td><td>0.00 (Purchase)</td></tr>
<tr><td>Total Energy Consumption</td><td>293,255.70</td><td>253,122.78</td></tr>
<tr><td>Percentage of Renewable Energy</td><td>0.61%</td><td>0.67%</td></tr>
</table></td><td></td></tr>
</table>

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
(3)Has the Company assessed the current and future potential risks and opportunities from climate changes and taken measures to address climate-related issues?	✓		The Company has established an internal self-managing energy system. Energy-saving goals and implementation plans are formulated in accordance with the requirements of the Bureau of Energy of the Ministry of Economic Affairs for energy users to continue to improve equipment and reduce electricity consumption. Solar photovoltaic equipment has been set up to support green energy and the move towards more than 1% of electricity save. The company obtained ISO 50001 certification(The validity of the latest certificate is from January 2, 2024, to January 2, 2027.), and also actively promotes various environmental protection, energy conservation and carbon emissions reduction measures to reduce GHG emissions. In 2025, the Company implemented 39 improvement measures, including the installation of variable frequency drives (VFDs) and the replacement of obsolete equipment to enhance energy efficiency. Furthermore, we have explored the risks and opportunities arising from climate	Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
			change, establishing relevant contingency measures to reduce response times when risks occur. Discuss the risks and opportunities caused by climate change: 1. Increased frequency and severity of typhoons Countermeasures: ① The production line is equipped with uninterruptible power supply systems. ② Improve drainage and dredging of ditches. ③ Regularly maintain the equipment in the computer room and purchase relevant commercial insurance. 2. Increase expenditure for low-carbon transformation. Countermeasures: ① Promote energy conservation and carbon emissions reduction plans in steps. ② Optimize product structure and produce eco-friendly products. ③ Reduce environmental pollution and	Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
			waste volume. 3. Add sustainability-related requirements and standards. Countermeasures: ① Promote energy conservation and carbon emissions reduction plans in steps. ② Install solar panels in the factory area for in-house use ③ Construction of Energy Storage System 4. Average temperature rises Countermeasures: ① Keep doors closed to maintain indoor circulation of air-conditioning. ② Sprinklers are installed on the exterior walls for cool-down effect. ③ Use thermal insulation building materials to reduce heat conduction. ④ Install solar panels to absorb heat. ⑤ Develop products that can help regulate and reduce temperature. ⑥ The office and production lines have switched to energy-saving and power-efficient products. Opportunity Analysis: ①Anticipated Growth in Revenue from Green Products: Forecast suggests that revenue from green products is expected to grow annually. Developing low-carbon products can enhance market share. ②Resource Reduction and Recycling: Implementing strategies to reduce resource consumption, enhance water efficiency, and increase the recycling rate of wastewater can lead to decreased operational costs. ③Alignment with Company Policies: Gradually replacing outdated equipment in line with company policies can result in reduced energy consumption and improved production efficiency.	Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
(4)Has the Company compiled the greenhouse gas emissions, water consumption and total weight of waste the past two years and established management policies for energy saving and reduction of greenhouse gas emission, water consumption and other wastes?	✓		The Company has established the "Environmental Protection Management Rules," committing to reducing energy and water consumption and continuously improving manufacturing processes to minimize water usage. Our water sources include tap water and recycled water. Furthermore, we have developed and promoted solution-dyeing processes, which significantly reduce water consumption for downstream dyeing and finishing customers. Upholding the philosophy of the circular economy, we have integrated resource recycling and sustainable product design into our operational policies. We incorporate recycled raw materials, design for recyclability, and process optimization into product development and manufacturing management, striving to enhance resource efficiency and reduce environmental impact. Through recycling technologies, we regenerate waste materials into fibers, such as 100% recycled polyester fiber (using 121 tons of recycled yarn in 2025) and 100% recycled nylon fiber (using 198 tons of recycled yarn in 2025). Both products are GRS (Global Recycled Standard) certified, and we continue to introduce various recycled materials to develop eco-friendly products. Through external verification bodies, we have established the ISO 14001 Environmental Management System and received guidance for the ISO 14064-1 organizational greenhouse gas inventory. We have obtained carbon footprint certification for nine major product categories and set a goal to reduce energy intensity per product unit by 20%. Additionally, the Company passed the ISO 50001 Energy Management System certification in November 2023. During 2024 to 2025, the company conducted inventory assessments of	Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

<table>
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<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>greenhouse gas emissions, water usage, and total waste across three main factory sites (Pu-Yen Plant, Fang-Yuan Plant, Dou-Liu Plant). The combined statistical data reveals the following:
(1) Greenhouse Gas Emissions (Unit: Metric Tons CO2e)
<table><tr><td>Year</td><td>2024</td><td>2025</td></tr><tr><td>Scope1</td><td>965.14</td><td>974.01</td></tr><tr><td>Scope2</td><td>38,365.75</td><td>33,092.97</td></tr></table>Based on the year of 2021, the goal is to reduce carbon emissions by 30% by the year 2030, with an annual reduction target of 3.3%.
The reduction performance in 2025 reached 34.98% compared to the 2021 base year.
Primary Initiatives:
①Gradual Replacement and Promotion of Energy-saving Equipment in Offices (lighting, air conditioning), resulting in an annual carbon emissions reduction of 2.4 metric tons.
②Replacement of Old Air Compressors with New Ones and Implementation of SCADA Energy Management System for Public Equipment, leading to a reduction of 2,629.33 metric tons of carbon emissions annually.
③Installation of Solar Panels.
④Process Improvement to Reduce Carbon Emissions:
(Development of recycling and renewable materials to replace petrochemical raw materials.)
⑤Transitioning all diesel-powered forklifts in the factory to electric ones.
⑥Digitization of Forms to Reduce Paper Usage.</td><td></td></tr>
</table>

<table>
<tr><th rowspan="2">Issues to be Assessed</th><th colspan="3">Implementation Status</th><th rowspan="2">Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>(2) Water Usage (Unit: Tons):
<table><tr><td>Year</td><td>2024</td><td>2025</td></tr><tr><td>Total Water Usage</td><td>189,199</td><td>174,275</td></tr><tr><td>Recycled Water Usage</td><td>33,059</td><td>28,227</td></tr><tr><td>Recycling Rate</td><td>17.47%</td><td>16.2%</td></tr></table>
Based on the baseline year of 2021, the goal is to increase the water recycling rate by 3.3% annually until year 2030.
The water recycling rate in 2025 increased by 8.93% compared to 2021.
Primary Initiatives:
①Implementation of Ice Water System Recycling.
②Promotion of Daily Water Conservation Awareness.

(3) Waste Quantity (Unit: Tons):
<table><tr><td>Year</td><td>2024</td><td>2025</td></tr><tr><td>Waste Disposal Quantity</td><td>242.44</td><td>158.86</td></tr></table>
Note: The waste generated by the company is general industrial waste, with no hazardous industrial waste.
Based on the baseline year of 2021, the goal is to reduce waste quantity by 3.3% annually until 2030.
The waste reduction performance in 2025 reached 49.29% compared to 2021.
Primary Initiatives:
1. Obtaining GRS certification and implementing packaging material recycling to reduce waste quantity.
2. Process technology improvement and reduction of raw materials to minimize waste generation and decrease waste quantity through source management.</td><td></td></tr>
</table>

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
4、Social Issues (1)Does the Company establish policies and procedures in compliance with regulations and internationally recognized human rights principles?	✓		The Company values the protection of human rights. Referencing the "Universal Declaration of Human Rights," we have established the "Zylux Human Rights Policy" and disclosed it on the corporate website as the highest guiding principle for human rights management. The scope of our Human Rights Policy covers all employees and extends to suppliers, contractors, and other stakeholders, striving to implement human rights protections within our business operations. The policy includes: prohibiting child labor, eliminating forced labor, eradicating employment discrimination, providing a safe and healthy working environment, and guaranteeing freedom of association and fundamental employee rights. We periodically review the relevant systems and implementation status. The Sustainable Development Committee coordinates the promotion and supervision of the human rights policy, while the Human Resources department and relevant functional units are responsible for execution and implementation. Furthermore, we strengthen the promotion of and compliance with the human rights policy through orientation for new employees and internal communication mechanisms. Having obtained the ISO 45001 Occupational Health and Safety Management System certification, the Company provides employees with a safe and healthy working environment along with necessary health and first-aid measures. Based on the characteristics of our industry, we specifically manage personnel at risk of occupationally induced hearing degradation to prevent potential risks. In 2025, there were no incidents of human rights violations, nor were any	Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
			relevant reports received. The Company protects the legal rights of employees in accordance with labor laws and regulations, including the provision of pension funds and the establishment of an Employee Welfare Committee to manage various benefits. Furthermore, we have signed a "Collective Agreement" with the labor union and hold quarterly labor-management meetings to promote harmony and safeguard the personal rights of our employees.	
(2)Has the Company established and implemented reasonable employee welfare measures (including remuneration, vacation and other benefits) and appropriately reflected the business performance or results in the employee remuneration policy?	✓		The Company has established comprehensive salary, reward, bonus, retirement, welfare, and promotion management methods, and followed government regulations to handle relevant labor, health insurance, and vacation measures. The implementation of the “Employee share ownership trust” program can improve employee welfare and retention, further encouraging employees to collaborate with the Company to co-create good performance. The promotion is employees is based on equality, and is not affected by factors such as race, political party, gender, physical and mental disabilities, marital status, pregnancy, sexual orientation, etc., so that the composition of employees is diversified. Females account for 30% of the total number of employees, and 35% of the senior executives. If the Company is profitable for the year, 3% to 5% of the profits will be allocated as employee benefits in accordance with the Articles of Incorporation. Remuneration includes salary and bonus. The distribution of bonuses takes into account the overall operating performance of the Company and personal performance and contribution (Execution of Business Operational Strategies and Management Risk Assessment Recommendations)before corresponding reasonable remuneration is paid.	Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
			The pension system planned for the Company's employees includes the defined benefit plan (old pension system) in accordance with the Labor Standards Act and the defined contribution plan (new pension system) in accordance with the Labor Pension Act. In terms of the old pension system, 3% of employee salary is allocated as employee pension on a monthly basis, and the allocated amounts are deposited to the dedicated accounts in the Bank of Taiwan in the name of the independent retirement fund committee. The balance in the account for the old pension system is currently sufficient. As for the new pension system, an amount equal to 6% of employees' monthly salaries and wages is allocated to employees' personal pension account at the Bureau of Labor Insurance on a monthly basis. In addition to allocating funds to the pension account in accordance with laws and regulations, we also appoint an actuarial company to handle the pension reserves to ensure employees' rights after retirement and the full allocation of funds.	
(3)Has the Company provided employees with a safe and healthy working environment and regularly conducted safety and health training?	✓		The Company prioritizes employee safety and health by regularly conducting occupational safety and health (OSH) education, organizing fire safety training, implementing smoke-free workplace policies, and performing periodic work environment monitoring and hazard control assessments. Furthermore, we provide adequate and appropriate personal protective equipment (PPE). The Safety and Health Committee meets quarterly for review, and monthly safety and health bulletins are issued to foster an organizational culture of safety and health, ensuring that every employee develops safe working habits. In accordance with the "Regulations for	Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
			Implementing Work Environment Monitoring," we commission certified agencies to conduct periodic monitoring of noise and carbon dioxide levels. Annual health check-ups are also provided to safeguard employee well-being. The Company's Puyan, Fangyuan, and Douliu plants have all received the Health Promotion Certification from the Health Promotion Administration, Ministry of Health and Welfare. Notably, the Puyan plant has also earned the Breastfeeding-Friendly Environment Certification from the Changhua County Government. In 2025, the Puyan plant organized courses on CPR, AED, and trauma management, as well as seminars on preventing unlawful infringement in the workplace. The Fangyuan plant held seminars on workplace infringement prevention, CPR/AED, ergonomic hazard prevention, hearing protection, and metabolic syndrome. The Douliu plant conducted seminars on preventing soreness from prolonged standing and hand/waist strain, as well as sessions on nutrition, diet, and sleep quality. Additionally, the Company maintains the ISO 45001 Occupational Health and Safety Management System certification (valid until April 17, 2026) to provide a safe and healthy workplace for all employees. In 2025, the Group recorded one occupational injury with zero lost days (slipping while descending stairs) and two traffic accidents resulting in 108 lost days. The total number of lost days was 157, and the occupational injury rate was 0.66% of the total workforce. Regarding on-site accidents, the Company has strengthened communication, implemented training, and improved housekeeping, while re-evaluating hazards for the specific operations where	

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
			incidents occurred. There were no fire incidents or fire-related casualties this year. The Company regularly conducts fire extinguishing, reporting, and evacuation drills, and implements fire management systems in compliance with fire safety regulations.	
(4)Has the Company established an effective career development training program for employees?	✓		The Company has established an "Education and Training Management Procedure" and formed a Training Committee to regularly review employee career development training plans and evaluate training outcomes. The Company is committed to fostering a diverse and enriching learning environment that helps employees define and advance their career paths. 1.Training Program Scope: ①New Employee Orientation: Designed to help new hires quickly integrate into the corporate culture, understand operational processes and job responsibilities, and develop basic competencies. Training methods include E-learning courses, internal and external training programs, and on-the-job training (OJT) provided by supervisors and trainers. ②On-the-Job Professional Development: Aimed at enhancing employees' professional skills to ensure they stay abreast of industry trends and improve work efficiency and quality. Training methods include online courses, internal training programs, and external training courses. ③Leadership Development: Focused on cultivating management competencies across all levels of the Company to enhance team management, performance goal achievement, and decision-making abilities. Training programs include sessions for frontline supervisors (team leaders) as well as mid-	Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
			and senior-level management. 2. Training Methods and Implementation: ①Blended Internal and External Training: The Company organizes internal training sessions annually and encourages employees to participate in external courses or obtain professional certifications. ②E-Learning through The Company's Digital Academy: The Company has implemented a digital learning platform to offer flexible learning opportunities. Courses cover professional skills, management, core competencies, and language learning. ③Training Execution: The Company regularly assesses departmental learning needs and competency gaps to develop annual training plans. The effectiveness of training programs and employee learning outcomes are continuously monitored and evaluated. In recent years, The Company launched the "Key Position Competency Development Project" to identify and define core, managerial, and professional competencies, establish competency benchmarks, and assess existing talent gaps. This has led to the initiation of systematic talent development activities to ensure the development of management talent and smooth individual career paths, ultimately enhancing the Company's overall competitiveness. Please refer to page 117 for the Company's educational training performance.	

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
(5)Has the Company complied with the relevant regulations and international standards and formulated policies for the protection of consumers' and clients' rights and interests and grievance procedures with respect to consumer health and safety, customer privacy, marketing and labeling of products and services?	✓		The Company follows relevant laws, regulations and international guidelines in marketing and labeling of products and services. The products have obtained the Oeko-Tex Standard 100 certification to ensure users' health and safety. We also regularly disseminate rules specified in our "Codes of Ethical Conduct" and the "Ethical Corporate Management Best Practice Principles" to protect customers' privacy and confidentiality. . We have established the "Customer Complaint Handling Procedures". For customers' feedback on our products and quality, we adopt a rigorous and objective approach in our handling of the feedback and improvement to meet customer expectations. For related concerns or dissatisfaction, they can visit the stakeholder section on our website or directly contact us to file grievances.	Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.
(6)Has the Company established supplier management policies that require suppliers to comply with regulations on environmental protection, occupational safety and health or labor rights, and reported the implementation?	✓		The Company promotes the concepts and practices of Corporate Social Responsibility (CSR) throughout its supply chain, working together with partners to protect the environment, enhance employee safety and health, and uphold labor human rights. We prioritize procurement by placing a higher proportion of orders with suppliers that have obtained environmental certifications, such as ISO 9000, ISO 14001, ISO 50001, OEKO-TEX, GRS, REACH, and FSC, thereby implementing green procurement. Furthermore, the Company has integrated information and communication security and personal data privacy protection into its supply chain risk management. We assess suppliers' potential risks regarding information security and privacy compliance as part of the evaluation criteria for supplier registration. We have also established the "Supplier Management Procedures," conducting quarterly evaluations based on delivery	Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.

<table>
<tr><th rowspan="2">Issues to be Assessed</th><th colspan="3">Implementation Status</th><th rowspan="2">Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>schedules and quality to categorize suppliers into grades. Additionally, we evaluate the environmental and social impacts of our procurement activities on the communities of our supply sources. The grading classifications are as follows:<table><tr><th>Grade</th><th>Score</th><th>Incentives and Penalties</th></tr><tr><td>A</td><td>90 and above</td><td>Increase order volume as appropriate.</td></tr><tr><td>B</td><td>70 to 89</td><td>No incentives or penalties.</td></tr><tr><td>C</td><td>60 to 69</td><td>Reduce procurement volume as appropriate.</td></tr><tr><td>D</td><td>Below 60</td><td>Issue improvement notice and provide guidance; if no improvement is made within the deadline, supplier qualification will be revoked.</td></tr></table></td><td></td></tr>
<tr><td>5、Has the Company referred to international reporting standards or guidelines in its preparation of sustainability reports and other reports which disclose the Company’s non-financial information? Have the abovementioned reports obtained the verification or assurance opinions from third-party certification organizations?</td><td>✓</td><td></td><td>The Company’s Sustainability Report is prepared in accordance with the 2021 GRI Standards issued by the Global Reporting Initiative (GRI) and the AA1000 Accountability Principles. The report discloses key sustainability issues, strategies, goals, and initiatives of the Company. It is voluntarily compiled with reference to the Task Force on Climate-related Financial Disclosures (TCFD) framework and the Sustainability Accounting Standards Board (SASB) disclosure standards for the Chemicals sector. The report provides a comprehensive account of the Company’s sustainability performance in the economic, environmental, and social dimension</td><td>Comply with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.</td></tr>
</table>

6、If the Company has established its own sustainability principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any discrepancy between the policies and their implementation in the Company:

The board resolved to approve the "Corporate Social Responsibility Best Practice Principles" on November 7, 2017, and the board resolution made on January 20, 2022 approved the amendment to rename it the "Sustainable Development Best Practice Principles" in accordance with changes in laws and regulations.

For the implementation and specific actions of our corporate social responsibility, please refer to the section "Status of Implementation of Sustainable Development" in this annual report. There is no significant different between our implementation and the established guidelines.

7. Other important information for facilitating the understanding of sustainability and its implementation:

(1) The board resolution made on March 10, 2022 approved the establishment of the Sustainable Development Committee, which is composed of board members. The Committee aims to reinforce corporate governance and board functions to achieve sustainability. The powers include:

①Formulate the corporate sustainable development report.

②Track, review and revise the implementation and effectiveness of the Company's sustainable development.

③Produce the content of the corporate sustainable development report.

④Review, recommendations and tracking of implementation performance of the corporate governance practices and annual implementation schedule and progress.

⑤Other matters that the board resolves to have the committee to handle.

8. Sustainable Development Committee

(1) Duties and responsibilities of the Sustainable Development Committee:

Group	Responsibility	Promotion focus	Responsible unit
Corporate governance	Promote and implement corporate governance for sustainability.	Corporate governance, internal audit, regulatory compliance, risk management	Chairman's Office, Finance Division, Auditing Office, Legal Affairs Section, Information Section
Partnership	Exert influence to collaborate with upstream and downstream partners to promote sustainability matters, continue to improve product quality and meet customer satisfaction.	Customer relationship management, supply chain management, marketing, R&D and innovation	Sales Division, Marketing Division, R&D Division, Materials Section
Employee Care	With win-win situation and joint growth for employer and employees as the goals, promote various employee welfare measures and create a safe and health workplace environment.	Employee welfare, career planning, occupational safety, human rights management	Human Resources Section, Health and Safety Section
Sustainable environment	In response to risks and opportunities of climate change, formulate relevant environmental protection policies and plan and promote response measures.	Environmental protection, energy conservation and carbon reduction, water resources management, waste management	Production Department, Engineering Services Department, Management Section
Society co-prosperity	Commit corporate resources to local neighborhoods and promote society co-prosperity to fulfill corporate social responsibility.	Local care, social welfare, industry-academia collaboration	Human Resources Section, Management Section

(2) Performance of the Sustainable Development Committee:

The second term began on June 21, 2024 and is ongoing as of the date of this report. As of this reporting date, the Committee has held a total of 6 meetings.

Title	Name	Actual Attendance in Person	Attendance by Substitution	Percentage of Actual Attendance (%)	Specializations	Remark
Chairman (Convener)	Wen-Tung Chou	6	0	100%	Corporate governance, operations management	Re-elected
Independent Director	Shui-Chin Chen	6	0	100%	Corporate governance, financial auditing	Re-elected
Independent Director	Wan-Chung Chen	6	0	100%	Corporate governance, operations management	Re-elected
Independent Director	Cheng-Pei Kuo	6	0	100%	Corporate governance, operations management	New appointment

(3) Discuss and resolutions of the Sustainable Development Committee since 2025 until the publication date of the annual report:

Meeting date	Discussion Topics	Resolutions	Company's Opinions
2025/05/08 The 3rd session of 2nd term	1. Report on the preparation of the 2024 Sustainability Report. 2. Report on the 2025 sustainability development implementation progress.	Unanimous vote by all committee members in presence.	According to the resolution of the meeting.
2025/08/08 The 4th session of 2nd term	3. 1.The preparation of the Company's 2024 Sustainability Report.	Unanimous vote by all committee members in presence.	According to the resolution of the meeting.
2025/11/11 The 5th session of 2nd term	1. The Company's 2025 Sustainability Development Implementation Report.2.The Company's 2024 Sustainability Development Implementation Report.	Unanimous vote by all committee members in presence.	According to the resolution of the meeting.
2026/05/11 The 6th session of 3rd term	1.Report on the preparation of the 2024 Sustainability Report. 2.Report on the 2025 sustainability development implementation progress.	Unanimous vote by all committee members in presence.	According to the resolution of the meeting.

(4)Status of fulfillment of CSR in 2025:

Description of activities and name of organizations		
Volunteer firefighter squad in Puyan	Sponsorship	Sponsorship
Yong-Le Community Development Association	Shared meals for senior citizens in 2024	Sponsorship
	Lucky draw at end-of-year banquet	Sponsorship with supplies
Yong-Le Elementary School	Students' graduation ceremony	Sponsorship with supplies
Macuo Elementary School	Students' graduation ceremony	Sponsorship with supplies
Tian-Sheng Elementary School	Students' graduation ceremony	Sponsorship with supplies
Taiwan Fund for Children and Families Changhua branch	2025 year-end winter "Care for Changhua Families and Children" Charity Fair	Sponsorship
Corporate Beach Cleanup	Daan Wenliao Fishing Port Beach Cleanup	Staff Participation
Corporate Volunteer Service	Changhua Tsz-Ai Mercy Care Center Volunteer Service	Staff Participation
Community Development Association of Hehshing Community, Ershui Township, Changhua County	Old Railway Greening	Sponsorship
Ershui Township Office	2025 Ershui International Water Festival	Sponsorship with funds and supplies

(VIII) Climate-related information of TWSE/TPEx-listed companies

(1) Implementation of climate-related information:

<table>
<tr><td>Description</td><td>Status of implementation</td></tr>
<tr><td>1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and management.</td><td>The Company has established an ESG Committee with a "sustainable environment" team set up to promote relevant policies in accordance with the regulations of the competent authority. Regular meetings on domestic and foreign climate-related issues are held to keep abreast of the Company's sustainable development, with target implementation tracked to be reported to the Board of Directors.</td></tr>
<tr><td>2. Describe how the identified climate risks and opportunities affect the business, strategy and finance of the Company (short-, medium-, and long-term).</td><td>The Company has referred to the guidelines issued by the Climate-related Financial Disclosures (TCFD), and formulated response measures and strategies based on the duration and impact of risk factors. The impacts are listed as follows:
(1) Climate risk
<table>
<tr><td>Sorting</td><td>Potential risk impacts</td><td>Duration</td><td>Responding measures</td></tr>
<tr><td>1</td><td>Extreme weather causing flooding, resulting in interruption of operations and damage to finished goods inventory, reducing operating profits or assets</td><td>Short and medium term</td><td>◆Production lines are equipped with emergency response measures such as uninterruptible power supply system.
◆Improve drainage and dredging of ditches.
◆Regular inspections and maintenance of server room equipment
◆Commercial insurance coverage</td></tr>
<tr><td>2</td><td>Increase expenditure for low-carbon transformation.</td><td>Medium and long term</td><td>◆Promote energy conservation and carbon emissions reduction plans in steps.
◆Optimize product structure and produce eco-friendly products.
◆Improve process source and reduce waste</td></tr>
<tr><td>3</td><td>Increased demands and regulations related to sustainability, resulting in additional carbon reduction costs</td><td>Medium and long term</td><td>◆Continue to monitor the trend of domestic and foreign carbon tax and carbon-related laws and regulations</td></tr>
<tr><td>4</td><td>Rising average temperature results in higher electricity costs</td><td>Medium term</td><td>◆Keep doors closed to maintain indoor circulation of air-conditioning.
◆Use thermal insulation building materials to reduce heat conduction.
◆Purchase and use energy-saving products
◆Introduce ISO50001 energy management system</td></tr>
</table>
(2) Climate opportunities</td></tr>
</table>

<table>
<tr><td></td><td>
<table>
<tr><th>Sorting</th><th>Potential opportunity impacts</th><th>Duration</th><th>Responding measures</th></tr>
<tr><td>1</td><td>Support low-carbon and sustainable products and reduce operating costs through green procurement and supplier management</td><td>Medium term</td><td>◆Conduct relevant review before supplier transactions
◆Enter into contract of sale with environmentally certified suppliers for large-scale purchases</td></tr>
<tr><td>2</td><td>Develop low-carbon products and increase revenue</td><td>Medium and long term</td><td>◆Product carbon footprint inventory
◆Expand market share and upgrade core technology
◆Develop products that regulate and reduce temperature.
Satisfy the needs of the market and customers.</td></tr>
<tr><td>3</td><td>Natural disaster crisis management, avoid the risk of business interruption, improve customer trust, and reduce business losses</td><td>Long term</td><td>◆Formulate effective adaptation measures to provide stable services in various businesses and segments
◆Formulate business continuity plan
◆Regular perform disaster response measures</td></tr>
</table>
</td></tr>
<tr><td>Describe the financial impacts of extreme climate events and transformational actions.</td><td>Please refer to Item 2 for the financial impact that may be caused by business interruption, low-carbon transformation actions, and compliance with sustainability-related laws and regulations caused by extreme weather.</td></tr>
<tr><td>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</td><td>The "Risk Management Policies and Procedures" of the Company were passed at the 11th meeting of the 12th Board, identifying material risk factors based on the average value of risk exposure calculated by the "probability of occurrence" and "degree of impact" under the three major ESG categories. The Company evaluates its operations based on three major aspects: "operation", "finance" and "human resources", proposes corresponding measures, and conducts regular follow-up based on the key points raised.</td></tr>
<tr><td>5. If a scenario analysis is used to evaluate the resilience in the face of climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used shall be explained.</td><td>The Company has not yet conducted climate change risk assessment through scenario analysis.</td></tr>
<tr><td>6. If there is a transformation plan in response to the management of climate-related risks, describe the</td><td>The Company does not yet have a transformation plan to manage climate-related risks, but has voluntarily conducted an inventory of GHG emissions and product carbon footprints, replaced old equipment, and purchased energy-saving products.</td></tr>
</table>

content of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks.	
7. If the internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	The Company has not yet used internal carbon pricing as a planning tool.
8. If climate-related targets have been set, specify the activities covered, the scope of GHG emissions, the planned schedule, and the progress made in each year. If carbon credits or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon credits to be offset or the quantity of renewable energy certificates (RECs) shall be specified.	1.Using the three parent company's plants as the scope and 2021 as the base year, the Company reduced carbon emissions by 30% (including Scope 1 and Scope 2) as of 2030, and aims to reduce carbon emissions by 3.3% per year . In 2022, the Company conducted ISO14001 and ISO14064-1 organizational GHG inventory counseling through an external certifying organization. In the same year, the Company passed the carbon footprint certification of 9 major products. In 2023, the Company began the ISO50001 energy management system certification simultaneously. ●Overall Carbon Reduction Achievement (2021–2025): The Company has achieved a cumulative carbon emissions reduction of 34.97% from 2021 to 2025. 2.Carbon Offsets and Renewable Energy Certificates: The Company has not yet utilized carbon offset mechanisms or renewable energy certificates.
9. GHG inventory and assurance status, as well as reduction goals, strategies and concrete action plans.	Please refer to the following table.

(2) The Company's GHG inventory and assurance for the most recent two years:

<table>
<tr><th>Description</th><th>Status of implementation</th></tr>
<tr><td>1. Describe the GHG emission volume (metric tons CO2e), intensity (metric tons CO2e/NTD million) and data coverage for the most recent two years.</td><td>In 2023 and 2024, the Company conducted voluntary GHG inventories for the parent company's three plants (Puyan Plant, Fangyuan Plant, and Douliu Plant). The consolidated statistics are shown as follows:
<table>
<tr><th>Year</th><th>2024</th><th>2025</th></tr>
<tr><td>Scope 1 emissions (tons CO2e)</td><td>965.14</td><td>974.01</td></tr>
<tr><td>Scope 2 emissions (tons CO2e)</td><td>38,365.75</td><td>33,092.97</td></tr>
<tr><td>Total Scope 1 + 2 emissions (tons CO2e)</td><td>39,330.89</td><td>34,066.97</td></tr>
<tr><td>Scope 1 carbon intensity (tons CO2e/NTD million)</td><td>0.41</td><td>0.51</td></tr>
<tr><td>Scope 2 carbon intensity (tons CO2e/NTD million)</td><td>16.13</td><td>17.48</td></tr>
<tr><td>Total GHG intensity (tons CO2e/NTD million)</td><td>16.54</td><td>17.99</td></tr>
</table></td></tr>
<tr><td>2. Describe the status of assurance in the most recent two years up to the date of publication of the annual report, including the scope of assurance, institutions of assurance, criteria of assurance, and opinions of assurance.</td><td>According to the planning of the roadmap for the sustainable development of the listed companies, the Company is not yet required to conduct a GHG inventory.</td></tr>
</table>

(3) GHG reduction goals, strategies and concrete action plans:

Description	Status of implementation
1. Describe the GHG base year and its data, reduction goals, strategies and specific action plans, and the achievement of reduction goals.	1.Using the three parent company's plants as the scope and 2021 as the base year, the Company reduced carbon emissions by 30% (including Scope 1 and Scope 2) as of 2030, and aims to reduce carbon emissions by 3.3% per year . 2.In 2022, the Company conducted ISO14001 and ISO14064-1 organizational GHG inventory counseling through an external certifying organization. In the same year, the Company passed the carbon footprint certification of 9 major products. In 2023, the Company began the ISO50001 energy management system certification simultaneously. 3.Overall Carbon Reduction Achievement (2021–2025): From 2021 to 2025, the Company achieved a total carbon emissions reduction of 34.97%. 4.Carbon Inventory and Verification Plans: Since 2022, the Company has conducted greenhouse gas (GHG) inventories and self-declarations for all facilities of the parent company. In 2025, the Company plans to carry out GHG inventories for its consolidated subsidiaries, and in 2026, it intends to conduct third-party verification of GHG emissions at the group level.

(IX) Status of the Company's practice of ethical management and difference from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies:

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
1.Establish corporate conduct and ethics policy and implementation measures (1)Does the company establish ethical management policies approved by the board and have bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures and the commitment regarding the implementation of such policy from the board and the executive management team?	✓		The Company has established the "Procedures for Ethical Management and Guidelines for Conduct" and designated a dedicated unit (Office of the Secretary to the Chairman) responsible for formulating and supervising the implementation of ethical management policies and prevention plans. It conducts related education and training sessions and promotion of the policies and plans for board member and senior executives every half a year, and reports to the board once a year (November 11, 2025 for this annual report), which is also disclosed on the Company's website and annual report. The board members and senior executives have signed a statement of "No Violation of Ethical Management and Conducts". Emphasize the ethical management policies when recruiting employees and have them sign the consent form, and specify in the Employee Code of Conduct how they should decline gifts to declare the Company's standard on anti-corruption and anti-bribery.	No significant differences.
(2)Has the Company established a risk assessment mechanism against unethical conduct, analyzed and assessed on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and established prevention programs	✓		We have good governance, risk control measures and comprehensive rules and regulations to prevent unethical behaviors. We established the "Procedures for Ethical Management and Guidelines for Conduct" to clearly stipulate that	No significant differences.

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
accordingly which at least cover the prevention measures against the conducts listed in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?			personnel are prohibited from providing or accepting inappropriate benefits. The Procedures also cover prevention measures against behaviors specified in paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies". There is a dedicated unit responsible for formulating a prevention system against such unethical behaviors and establishing grievance filing channels.	
(3)Has the Company defined operating procedures, conduct guidelines, disciplinary penalties and grievance process in the program preventing unethical conduct and put them in practice, and regularly reviewed and amended the program?	✓		The "Procedures for Ethical Management and Guidelines for Conduct" and internal control and code of conduct measures all have disclosed relevant disciplinary and grievance channels. We have dedicated personnel who regularly review the compliance with these measures, and amend shortcomings in response to operational needs and regulatory revisions.	No significant differences.
2.Implement ethical operations (1)Does the company assess the ethics records of whom it has business relationships with and include business conduct and ethics related clauses in the business contracts?	✓		We have a credit line and credit check terms with our transaction partners, which are stipulated at the time of transactions. If the transaction counterparties are involved in unethical conduct, we may at any time terminate or rescind the contracts.	No significant differences.
(2)Has the Company established a specialized unit under the board responsible for the promotion of corporate ethics management, which regularly (at least once a year) reports policies on ethical operations, programs on prevention of unethical	✓		The Office of the Secretary to the board is responsible for formulating ethical management policies, and works with the Legal Affairs Section for supervision and implementation. Reports are submitted to the board in Q3 every year (November 11, 2025 for this	No significant differences.

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
conduct and the status of supervision to the board?			annual report).	
(3)Does the Company establish policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement such policies properly?	✓		We have established the "Procedures for Ethical Management and Guidelines for Conduct", which contains specific and relevant handling procedures. A stakeholder section has been set up on the Company's official website to serve as an appropriate grievance filing channel and is followed up by our dedicated personnel. If a director or a legal person represented by a director is an interested party, the director shall state the conflict of interest at the board meeting, and recuse himself/herself from discussions or voting. The internal control system and other internal management measures should ensure that the above policies are being carried out.	No significant differences.
(4)Has the Company established an effective accounting and internal control system to put ethical operations management into practice and arranged for the internal audit unit to formulate audit plans based on the risk assessment of unethical conduct and audit the compliance to prevent unethical conduct, or commissioned independent auditors to conduct the audit?	✓		In order to ensure the implementation of ethical management, we have established effective accounting and internal control systems, and their compliance is regularly checked by internal auditors, who ensure the effective and continued implementation of the systems. CPAs conduct audits of the internal control practices on a regular basis, and submit the audit reports to the Audit Committee and the bard every quarter.	No significant differences.
(5)Does the Company provide internal and external ethical conduct training programs on a regular basis?	✓		In October 2025, the Company conducted "Ethical Management Policy" training for internal management via our E-learning platform. The training included assessments with a total of 101	

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
			participants and a cumulative study time of 52 hours. The passing rate for the post-training assessment was 100%. Through regular awareness programs (at least once a year), the Company hosts internal training sessions for board members and employees to continuously communicate and reinforce our business philosophy and the Code of Conduct for Ethical Management among all managers and employees.	
3.Operations of the Company's grievance reporting system (1)Does the Company establish specific complaint and reward procedures, set up conveniently accessible complaint channels and designate responsible individuals to handle the complaint received?	✓		We have established a dedicated unit and independent reporting mailbox to handle related matters subject to the Procedures for Ethical Management and Guidelines for Conduct; Ethical Code of Conduct; Measures for Handling Employee Opinions and Complaints; and Rewards for Reporting.	No significant differences.
(2)Does the Company establish standard operating procedures for investigating the complaints received, follow-up measures to be adopted and the related confidentiality measures after investigation?	✓		We have good communication channels to receive employees' opinions, and have established investigation procedures for grievances. Relevant information is properly retained after investigation, and those who file grievances are notified of follow-up development. For those who file grievances or participate in the investigation, we protect their confidentiality and prevent them from unfair treatment or retaliation.	No significant differences.

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
(3)Does the Company adopt proper measures to shield a complainant from retaliation for filing complaints?	✓		We have protection measures for whistleblowers and stipulate investigation procedures for grievances. Complaints can be filed anonymously, so that parties are not mistreated due to whistleblowing actions.	No significant differences.
4.Enhance information disclosure (1)Does the Company disclose its guidelines on business ethics as well as information about implementation of such guidelines on its website and the Market Observation Post System?	✓		The "Procedures for Ethical Management and Guidelines for Conduct" and the "Procedures for Handling Material Inside Information" are announced on the Company's website. The annual reports also disclose relevant and reliable information on ethical management.	No significant differences.
5. If the company has established ethical policies based on the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe any discrepancy between the policies and their implementation in the Company: We have established the "Procedures for Ethical Management and Guidelines for Conduct" for compliance, which operates the same as the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.				
6. Other important information to facilitate better understanding of the Company's corporate conduct and ethics compliance practices (such as reviewing and amending the Company's existing Ethical Corporate Management Best Practice Principles). (1) We comply with the Company Act, Securities and Exchange Act and regulations relevant to publicly listed or OTC companies or other laws or regulations regarding commercial activities, as the underlying basis to facilitate ethical corporate management. (2) Our Rules of Procedure of the Board Meeting shall stipulate a system for directors to recuse themselves from conflict of interest. If any director or a juristic person represented by a director is an interested party with respect to any motion, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the Company, the director may state his/her opinions and answer questions and may not participate in the discussion or voting on that motion, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter. (3) The board approved the "Rewards for Reporting" at a meeting held on March 25, 2019 to establish measures for whistleblowing, which emphasizes ethical management as the cornerstone for sustainability. (4) The board approved amendment to provisions of the "Procedures for Ethical Operations Management and Guidelines for Conduct" at a meeting held on March 27, 2020 in response to the regulatory requirements.				

(X) Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance may also be disclosed: None.

(XI) Implementation status of internal control system:

1.Please visit the Market Observation Post System (MOPS) at https://mops.twse.com.tw, select "Listed Company Info," then "Corporate Governance," and click on "Company Rules/Internal Control" to search for the internal control system statement announcements.

2.If a CPA has been engaged to conduct a special audit of the internal control system, the CPA's audit report shall be disclosed: Not applicable.

(XII)Material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

1. Key resolutions from the 2025 annual general meeting and their implementation: (2025.06.17)

Key Resolutions
1. Approved the 2024 business report and final accounts. Implementation status: Detailed in the meeting minutes. 2. Approved the 2024 Loss Appropriation. Implementation: For 2024, "Not distributing employee and director remuneration; also not issuing dividends. 3. Resolution approved: Amendment to the Company's "Procedures for Endorsement and Guarantee." Implementation: The resolution has been recorded in the minutes and filed with the Market Observation Post System (MOPS). 4. Resolution approved: In coordination with the future IPO (listing/OTC) plan of the subsidiary, Juitai, the Company may carry out the disposal of shares in said subsidiary in stages and waive its participation in the subsidiary's cash capital increase plan. Implementation: The resolution has been recorded in the minutes and implemented accordingly.

2. (1) Key resolutions of Acelon board meeting during 2025 and up to the date of publication of the annual report:

Date	Summary of key Resolutions	
2025.01.17 The 4th meeting of the 13th term	1. Approved the Payment of Director's Salaries and Compensation for 2025. 2. Approved the Payment of Managerial Salaries and Compensation Items for 2025 , and the Distribution of 2024 Year-End Bonus. 3. Approved the Evaluation of the Independence of the Company's Certified Public Accountant. 4. Approved the CPA's Audit Fees for 2025.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.

Date	Summary of key Resolutions	
2025.03.14 The 5th meeting of the 13th term	1. Approved the Company's Financial Statements for the 2024 Fiscal Year. 2. Approved the Company's Profit and Loss Appropriation for the 2024. After the settlement of the 2024, the Company still has an accumulated loss of NTD 186,336 thousand to be covered. Therefore, no compensation will be distributed to employees and directors, nor will any dividends be paid. 3. Approved the Date and Related Matters for the 2025 Annual Shareholders' Meeting. 4. Approved the Issuance of the Company's Fourth Domestic Secured Convertible Bonds. 5. Approved the Amendment to the Company's Articles of Association. 6. Approved the Proposal to Facilitate the Subsidiary Acegreen's Future Application for Stock Listing (or OTC Trading), with the Company being authorized to proceed with stock transfers to the subsidiary and waive participation in the subsidiary's cash capital increase plan. 7. Approved the Company's Endorsement and Guarantee for its Subsidiary, Acegreen Environmental Materials Technology Co., Ltd. 8. Approved the Company's Internal Control Statement for 2024.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.
2025.05.08 The 6th meeting of the 13th term	1. Approved the Company's consolidated financial statements for the first quarter of 2024. 2. Approved the endorsement and guarantee provided by the Company for its subsidiary, Acegreen Eco-Material Technology Co., Ltd. 3. Approved the change of the Company's chief accounting officer.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.
2025.07.01 The 7th meeting of the 13th term	1.Approved: The share divestment plan for the subsidiary, Juitai. 2.Approved: The disposal of the Company's equity interests in the offshore Vietnamese entity held through reinvestment.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.
2025.08.08 The 8th meeting of the 13th term	1.Approved: The Company's consolidated financial statements for the second quarter of 2025. 2.Approved: The purchase of Directors and Officers (D&O) Liability Insurance. 3.Approved: The Company's 2024 Sustainability Report. 4.Approved: Provision of endorsements and guarantees for the subsidiary, Acegreen Eco-friendly Materials Technology Co., Ltd. 5.Approved: The sale of patents and trademarks held by the Company to subsidiary, Acegreen Eco-friendly Materials Technology Co., Ltd. 6.Approved: The disposal of shares in the subsidiary, Juitai, for subscription by the lead underwriter/sponsoring broker.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.
2025.11.11 The 9th meeting of the 13th term	1. Approved: The Company's consolidated financial statements for the third quarter of 2025. 2. Approved: The Company's 2026 Annual Audit Plan. 3. Approved: The lease of the Company's Douliu plant to the subsidiary, Acegreen. 4. Approved: Amendment to the "Regulations Governing the Issuance and Conversion	

Date	Summary of key Resolutions	
	of the Fourth Domestic Secured Convertible Bonds" of the Company. 5. Approved: Provision of endorsements and guarantees for the subsidiary, Acegreen.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.
2026.01.30 The 10th meeting of the 13th term	1. Approved the Payment of Director's Salaries and Compensation for 2026. 2. Approved the Payment of Managerial Salaries and Compensation Items for 2026 , and the Distribution of 2025 Year-End Bonus. 3. Approved the Evaluation of the Independence of the Company's Certified Public Accountant. Approved the CPA's Audit Fees for 2026.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.
2026.03.13 The 11th meeting of the 13th term	1、Approved: The Company' s 2025 financial statements. 2、Approved: The 2025 deficit compensation proposal. Upon the closing of the 2025 fiscal year, the Company recorded an accumulated deficit of NT$307,113 thousand. Consequently, no remuneration will be distributed to employees or directors, and no dividends will be issued. 3、Approved: The date and related matters for the 2026 Annual General Meeting (AGM) of Shareholders. 4、Approved: Distribution of cash from capital surplus. 5、Approved: Amendment to the Company' s "Articles of Incorporation." 6、Approved: The 2025 Internal Control System Statement of the Company.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.
2026.05.11 The 12th meeting of the 13th term	1. Approved: The Company's consolidated financial statements for the first quarter of 2026. 2. Approved: The dismissal of the Company's executive officers. 3. Approved: The promotion of the Company's executive officers.	
	Independent directors' opinions: None.	Company's subsequent actions: Carried out in accordance with the board resolution.

(XIII) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director has expressed a dissenting opinion with respect to a key resolution passed by the board, and the dissenting opinion has been recorded or prepared as a written declaration: None.

IV. Audit fee of independent auditors

(I) Audit fee:

1. When the Company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year: None.
2. When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10% or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed: None.

Name of Accounting Firm	Name of Accountant	Audit Period	Audit Service (NT$ thousand)	Non-Audit Service (NT$ thousand)	Total (NT$ thousand)	Remark
EnWise CPAs & Co.	Nien-Chieh Liao Ching-Yi Chen	2025.01.01~ 2025.12.31	1,225	355	1,580	–
EnWise CPAs & Co.	Ching-Yi Chen Yong-Ren Tsao	2024.01.01~ 2024.12.31	1,232	355	1,587	–

3. Non-audit fees for CPAs:

Include:
The tax certification service fee was NT$355,000 for fiscal year 2025 and NT$355,000 for fiscal year 2024.

V. Whether the Company has changed its CPAs during the last two years:

1. About former CPAs:

<table>
<tr><td>Date of change</td><td colspan="5">January 26, 2024</td></tr>
<tr><td>Reasons and descriptions for change</td><td colspan="5">Internal job rotation and arrangement within EnWise CPAs & Co., so CPA Yong-Ren Tsao was replaced with CPA Nien-Chieh Liao in 2024.</td></tr>
<tr><td rowspan="3">Indicate the appointed person or that the CPA terminates or declines appointment.</td><td colspan="2">Counterparty / Status</td><td>Accountant</td><td colspan="2">Appointed person</td></tr>
<tr><td colspan="2">Appointment terminated automatically</td><td>Internal rotation</td><td colspan="2">Not applicable</td></tr>
<tr><td colspan="2">Appointment rejected (discontinued)</td><td>Not applicable</td><td colspan="2">Not applicable</td></tr>
<tr><td>Opinions on audit reports other than unqualified opinions issued in the last two years and the reasons for the opinions</td><td colspan="5">None</td></tr>
<tr><td rowspan="5">Is there any disagreement in opinion with the issuer?</td><td rowspan="4">Yes</td><td rowspan="4">Not applicable</td><td colspan="3">Accounting principles or practices</td></tr>
<tr><td colspan="3">Disclosure of financial statements</td></tr>
<tr><td colspan="3">Auditing scope or procedures</td></tr>
<tr><td colspan="3">Others</td></tr>
<tr><td>None</td><td colspan="4">√</td></tr>
<tr><td>Explanation</td><td colspan="4">None</td></tr>
<tr><td>Supplementary disclosure</td><td colspan="5">None</td></tr>
</table>

2. About successor CPAs:

Name of accounting firm	EnWise CPAs & Co.
Name of Accountant	Nien-Chieh Liao
Date of assignment	January 26, 2024
Prior to formal engagement, any Inquiries or consultation on the accounting method or accounting principles for specific transactions, and the type of audit opinion that may be rendered in the financial report?	None
Written Opinions from the Successor CPAs that are Different from the Predecessor CPA’s Opions	None

(III) The Reply of Former CPAs on Article 10, Subparagraph 6, Item 1 and Article 10, Subparagraph 6, Item 2-3 of the Standards: No disagreement.

VI. If the chairman, president and managerial officers in charge of the Company's finance and accounting operations held any positions within the Company's independent audit firm or its affiliates during the past one year: None.

VII. Changes in shareholding of directors, supervisors, managerial officers and principal shareholders

(I) Changes in shareholding of directors, supervisors, managerial officers and principal shareholders

Title	Name	2025		As of April 18, 2026	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares	Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares
Chairman	Honghou Investment	—	—	—	—
	Representative of legal person: Wen-Tung Chou	—	—	(431,765)	(542,765)
Director	Ming-Yi Lai	31,955	—	—	—
Director	Dihao Trading	—	—	—	—
	Legal person representative: Yi-Sheng Lin	—	—	—	—
Director	Chin Ying Fa Mechanical Industrial	—	—	—	—
	Legal person representative: Yu-Long Shih	—	—	—	—
Director	Ya-Hui Shih	—	—	—	—
Director	Wen-Po Yang	—	—	—	—
Director	Ping-Yi Chou	—	—	—	—
Independent director	Shui-Chin Chen	—	—	—	—
Independent director	Wan-Chung Chen	—	—	—	—
Independent director	Ji-Fu Lin	—	—	—	—
Managerial officers	Tse-Chung Lin	—	—	—	—
Managerial officers	Wen-Chi Chou	—	—	—	—
Managerial officers	Mei-Hung Chang	22,961	—	—	—
Managerial officers	Mu-Lan Hsiao	7,669	—	(129,000)	—
Managerial officers	Mei-Ying Wu	—	—	—	—

(II) Information on transfer of equity: None.

(III) Information on stock pledge: None.

VIII. Information on top ten shareholders and their mutual relationship:

Note: Information as of April,18, 2026

Name	Current Shareholding		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Title, name and relationship of the top ten shareholders who have mutual relationship as spouse or blood relative within the second degree		Remark
	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership	Title (or name)	Relationship with the Company	
Honghou Investment Representative: Pi-Yu Chen	7,431,983	6.69%	—	—	—	—	—	—	
Shao-Hua Chou	6,697,156	6.02%	380,000	0.34%	—	—	Ping-Yi Chou Meng-Yi Chou	Sister-Brother Sister-Brother	
Ming-Yi Lai	6,078,868	5.47%	500,000	0.44%	—	—	—	—	
Sheng-Kai Investment Representative: Pi-Yu Chen	5,035,215	4.53%	—	—	—	—	—	—	
Shang-Cheng Investment Representative: Yi-Pang Lin	4,958,000	4.46%	—	—	—	—	—	—	
Long Yue Investment Co., Ltd. Representative: Ming-Yi Lai	2,714,375	2.44%	—	—	—	—	—	—	
Chin Ying Fa Mechanical Industrial Representative: Yu-Long Shih	2,669,077	2.40%	—	—	—	—	—	—	
Meng-Yi Chou	2,654,154	2.39%	—	—	—	—	Ping-Yi Chou Shao-Hua Chou	Sisters Sister-Brother	
Ping-Yi Chou	2,634,219	2.37%	395,000	0.36%	—	—	Meng-Yi Chou Shao-Hua Chou	Sisters Sister-Brother	
Yu-Long Shih	2,626,000	2.36%	—	—	—	—	—	—	

IX. The number of shares held by the Company, directors, supervisors, managers, and entities directly or indirectly controlled by the Company in the reinvestment business as well as the consolidated shareholding ratio:

Unit: Share; %

Investee	Ownership by the Company		Ownership by Directors, Managers Officers and Directly/Indirectly Owned Subsidiaries		Total Ownership	
	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Percentage of ownership (%)
Acegreen Eco-Material Technology Co., Ltd.	31,850,000	79.625%	1,133,163	2.83%	32,983,163	82.45%
Acenature Biotechnology Co., Ltd.	3,000,000	100%	—	—	3,000,000	100%
Acewing Fiber Co., Ltd.	2,000,000	100%	—	—	2,000,000	100%

Note: Information as of April,18, 2026.

Three. Financing Activities

I. Capital and shares:

(I) Source of capital

1. Type of shares:

Type of shares	Authorized Share Capital			Remark
	Shares outstanding (Note)	Un-issued Shares	Total	
Registered common stock	111,157,320	188,842,680	300,000,000	—

Note: The Company's shares are all publicly traded.

2. History of capital formation:

Unit: Shares/NTD

Year / Month	Issue Price	Authorized Share Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of capital	Capital Increase by Assets Other than Cash	Others
1988/07	10	1,500,000	15,000,000	1,500,000	15,000,000	Cash capital increase of NT$15,000,000	None	None
1989/03	10	5,000,000	50,000,000	5,000,000	50,000,000	Cash capital increase of NT$25,000,000	Creditor's rights as payment for shares 10,000,000	None
1989/09	10	6,000,000	60,000,000	6,000,000	60,000,000	Cash capital increase of NT$10,000,000	None	None
2000/04	10	12,000,000	120,000,000	12,000,000	120,000,000	Cash capital increase of NT$38,000,000	Creditor's rights as payment for shares 22,000,000	None
1991/04	10	19,500,000	195,000,000	19,500,000	195,000,000	Cash capital increase of NT$75,000,000	None	None
1992/11	10	35,300,000	353,000,000	35,300,000	353,000,000	Cash capital increase of NT$80,000,000 Capitalization of profit of NT$78,000,000	None	None

Year / Month	Issue Price	Authorized Share Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of capital	Capital Increase by Assets Other than Cash	Others
1994/04	10	58,772,000	587,720,000	58,772,000	587,720,000	Cash capital increase of NT$150,000,000 Capitalization of profit of NT$70,600,000 Capitalization of capital reserve NT$14,120,000	None	None
1994/07	10	100,000,000	1,000,000,000	80,000,000	800,000,000	Cash capital increase of NT$212,280,000	None	None
1995/07	10	150,000,000	1,500,000,000	114,400,000	1,144,000,000	Cash capital increase of NT$200,000,000 Capitalization of profit of NT$64,000,000 Capitalization of capital reserve NT$80,000,000	None	None
1996/06	10	150,000,000	1,500,000,000	137,280,000	1,372,800,000	Capitalization of profit of NT$114,400,000 Capitalization of capital reserve NT$114,400,000	None	None
1997/07	10	157,872,000	1,578,720,000	157,872,000	1,578,720,000	Capitalization of profit of NT$123,552,000 Capitalization of capital reserve NT$82,368,000	None	None
1998/09	10	380,000,000	3,800,000,000	265,877,120	2,658,771,200	Cash capital increase of NT$800,000,000 Capitalization of profit of NT$280,051,200	None	None
2001/04	10	200,000,000	2,000,000,000	168,738,672	1,687,386,720	Capital reduction of NT$971,384,480	None	None
2002/02	10	200,000,000	2,000,000,000	115,030,328	1,150,303,280	Capital reduction of NT$537,083,440	None	None
2002/12	10	200,000,000	2,000,000,000	71,597,796	715,977,960	Capital reduction of NT$434,325,320	None	None
2010/12	10	200,000,000	2,000,000,000	91,597,796	915,977,960	Cash capital increase of NT$200,000,000	None	None
2011/08	10	200,000,000	2,000,000,000	95,261,707	952,617,070	Capitalization of profit of NT$36,639,110	None	None
2013/11	10	200,000,000	2,000,000,000	99,787,490	997,874,900	Convertible bonds converted to common stocks worth NT$45,257,830	None	None
2014/08	10	200,000,000	2,000,000,000	105,351,197	1,053,511,970	Convertible bonds converted to common stocks worth NT$55,637,070	None	None

Year / Month	Issue Price	Authorized Share Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of capital	Capital Increase by Assets Other than Cash	Others
2014/10	10	200,000,000	2,000,000,000	106,151,935	1,061,519,350	Convertible bonds converted to common stocks worth NT$8,007,380	None	None
2014/11	10	200,000,000	2,000,000,000	111,151,935	1,111,519,350	Cash capital increase of NT$50,000,000	None	None
2015/04	10	200,000,000	2,000,000,000	111,157,320	1,111,573,200	Convertible bonds converted to common stocks worth NT$53,850	None	None
2019/02	10	300,000,000	3,000,000,000	111,157,320	1,111,573,200	Authorized share capital increased by 1,000,000,000	None	None

Note: Capital increase approval date 1992.11.30; approval document number: Jing (81) Shang #124685
Capital increase approval date 1994.04.13; approval document number: Jing (83) Shang #106064
Capital increase approval date 1994.07.30; approval document number: Jing (83) Shang #111700
Capital increase approval date 1995.07.03; approval document number: Jing (84) Shang #103347
Capital increase approval date 1996.06.21; approval document number: Jing (85) Shang #109233
Capital increase approval date 1997.07.29; approval document number: Jing (86) Shang #112116
Capital increase approval date 1998.09.03; approval document number: Jing (87) Shang #126602
Capital increase approval date 2001.04.04; approval document number: Jing (090) Shang #09001113830
Capital increase approval date 2002.02.01; approval document number: Jing-Shou-Shang-Zi Document #09101043880
Capital increase approval date 2002.12.25; approval document number: Jing-Shou-Shang-Zi Document #09101516920
Capital increase approval date 2010.12.08; approval document number: Jing-Shou-Shang-Zi Document #09901273140
Capital increase approval date 2011.08.03; approval document number: Jing-Shou-Shang-Zi Document #10001179110
Capital increase approval date 2013.11.29; approval document number: Jing-Shou-Shang-Zi Document #10201242210
Capital increase approval date 2014.08.29; approval document number: Jing-Shou-Shang-Zi Document #10301178720
Capital increase approval date 2014.10.20; approval document number: Jing-Shou-Shang-Zi Document #10301218330
Capital increase approval date 2014.11.13; approval document number: Jing-Shou-Shang-Zi Document #10301235930
Capital increase approval date 2015.04.29; approval document number: Jing-Shou-Shang-Zi Document #10401077080
Capital increase approval date 2019.02.14; approval document number: Jing-Shou-Shang-Zi Document #10801000340

3. Information on the shelf registration: None.

(II) Name of shareholders who are ranked top ten of all shareholders:

Date: April 18, 2026

Order	Name of shareholders	Number of shares	Percentage of ownership (%)
1	Honghou Investment Representative: Pi-Yu Chen	7,431,983	6.69
2	Shao-Hua Chou	6,697,156	6.02
3	Ming-Yi Lai	6,078,868	5.47
4	Sheng-Kai Investment Representative: Pi-Yu Chen	5,035,215	4.53
5	Shang-Cheng Investment Representative: Yi-Pang Lin	4,958,000	4.46
6	Long Yue Investment Co., Ltd.	2,714,375	2.44
7	Chin Ying Fa Mechanical Industrial Representative: Song-Lin Shih	2,669,077	2.40
8	Meng-Yi Chou	2,654,154	2.39
9	Ping-Yi Chou	2,634,219	2.37
10	Yu-Long Shih	2,626,000	2.36

(III) Company's dividends policy and the implementation status:

1. Dividend policy as stipulated in the Articles of Incorporation (Article 20-1)

   In order to meet the needs of sustainable operations, capital expansion and healthy development, and in consideration of maximizing shareholder value, the Company's dividend policy shall appropriately distribute stock dividends and cash dividends in accordance with the Company's future capital expenditure budget and capital needs. The cash dividends shall not be less than 10% of the total dividend distributed for the year. The board is authorized to determine the actual distribution percentage based on the financial position and capital budgeting.

2. Proposal to distribute cash dividend at the shareholders' meeting:

   Regarding the 2025 estimated dividends to be distributed, the board meeting held on March 13, 2026 resolved to approve the deficit compensation for 2025, no stock dividends and cash dividends will be distributed.

(IV) The impact of bonus shares proposed by the shareholders' meeting on the Company's operating performance and earnings per share: None.

(V) Remuneration for employees, directors and supervisors:

1. The range with respect to employees, director, and supervisor remuneration specified in theArticles of Incorporation: (Article 19-1)

   If the Company is profitable in the fiscal year, 3% to 5% of the profit shall be offered as bonuses for employees, and no more than 4% of the profit shall be allocated as remuneration for directors and supervisors. However, if the Company still has

accumulated losses, an amount shall be reserved in advance to make up for the losses, before using the remaining profit for distribution of remuneration.
Employee bonus may be paid in stock or cash, and director bonus can only be paid in cash.
The employees to whom the Company distributes remuneration, issues restricted stock award, share subscription warrants, subscription of new shares and transfers repurchased shares should be those who meet the criteria of being in the Company or affiliated companies of which the Company has more than 50% of the ownership.
Matters related to the payment of employee remuneration and directors' remuneration are handled in accordance with relevant laws and regulations, determined by the board, and reported to the shareholder meetings.
The procedures for determining remuneration are based on the "Operating Performance Evaluation Measures", which evaluate the Company's overall operating performance and each director's personal achievement rate and contribution to the Company's performance before reasonable remuneration is paid. The relevant appraisal and rationality of remuneration are reviewed by the Salary and Remuneration Committee and the board. The remuneration payment measures are reviewed to align with the actual status of operations and relevant laws and regulations to achieve a balance between sustainability and risk control.

2. The basis for estimating the amount of employee, director, and supervisor remuneration, for calculating the number of shares to be distributed as employee bonuses, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period: Subject to the changes in accounting estimates, and recognized as expenses in the adjustments for the next year.

3. Information on profit sharing from earnings for employees, directors and supervisors approved by the board (2026.03.13):
(1) The amount of the remuneration for employees in the form of cash or stock bonuses and that of the remuneration for directors in 2025:
The Company still has accumulated deficits to be made up, so it does not distribute employee and director remuneration in 2025.
(2) If the amount recognized in the fiscal year is different from the estimate, please disclose the difference, reasons and treatment: Not applicable.
(3) The amount of any employee bonus distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent-only financial reports or individual financial reports for the current period and total employee bonus: No employee bonus distributed in stocks.

4. The actual distribution of employee, director, and supervisor remuneration for 2023 (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor remuneration, additionally the discrepancy, cause, and how it is treated:
(1) The distribution of 2024 remuneration for employees, directors and supervisors is as follows:
Employee profit sharing: NT$ 0
Director and supervisor profit sharing: NT$ 0
(2) If the above amount is different from the recognized remuneration of employees, directors and supervisors, the difference, reason and the subsequent handling of the amount should be stated: Not applicable.

(IX) Stock buybacks of the Company: None.

II. Issuance of corporate bonds:

(I) Status of Corporate Bond Issuance

Type of Corporate Bond		Fourth Domestic Secured Convertible Bonds
Issue Date		June 20, 2025
Face Value		NT$100,000 per bond
Issue Price		Issued at 100% of the face value
Total Amount		NT$400,000,000
Interest Rate		Coupon rate: 0% per annum
Tenure		3 years; Maturity date: June 20, 2028
Guarantor		Taichung Commercial Bank Co., Ltd.
Trustee		Trust Department, Land Bank of Taiwan Co., Ltd.
Underwriters		IBF Securities Co., Ltd. Hua Nan Eco-Safe Securities Co., Ltd. Land Bank of Taiwan Co., Ltd. Capital Securities Corp.
Legal Counsel		Attorney Ya-Wen Chiu, Hanchen Law Firm
Certifying CPAs		CPAs Nien-Chieh Liao and Ching-Yi Chen, Kreston Joines & Co.
Repayment Method		Except for conversions or redemptions in accordance with the conversion regulations, the principal shall be repaid in cash in a lump sum upon maturity.
Outstanding Principal		NT$400,000,000
Redemption or Early Repayment Clauses		Please refer to Article 17 of the Company's Regulations Governing the Issuance and Conversion of the Fourth Domestic Secured Convertible Bonds. (See pages 104–106 of this annual report.)
Restrictive Covenants (Note)		None
Credit Rating (Agency, Date, Result)		None
Attached Other Rights	The amount of ordinary shares, Global Depositary Receipts (GDRs), or other securities converted (exchanged or subscribed) as of the date of publication of the annual report.	None
	Regulations Governing the Issuance and Conversion (Exchange or Subscription)	Please refer to the Company's Regulations Governing the Issuance and Conversion of the Fourth Domestic Secured Convertible Bonds. (See pages 104–106 of this annual report.)
Issuance and conversion, exchange or subscription regulations; potential dilution of equity due to issuance terms; and impact on existing shareholders' equity		The issuance of these convertible bonds is designed to avoid earnings erosion. It also mitigates the dilution of original shareholders' rights and prevents a significant increase in share capital that would dilute Earnings Per Share (EPS), thereby best serving the interests of shareholders.
Name of the custodian for the exchangeable subject		Not applicable

(II) Information on Convertible Bonds

Type of Corporate Bond		Fourth Domestic Secured Convertible Bonds	
Item \ Year		2025	Current fiscal year as of March 31, 2026
Market Price of Convertible Bonds	High	NTD 116.95	NTD 116.00
	Low	NTD 103.00	NTD 104.05
	Average	NTD 105.50	NTD 108.74
Conversion Price		NTD 18.80	NTD 18.80
Issue Date and Conversion Price at Issuance		Issue Date: June 20, 2025 Conversion Price at Issuance: NT$18.80	
Method of Fulfilling Conversion Obligations		Delivery of newly issued shares	

III. Issuance of preferred stocks: None.

IV. Issuance of overseas depository receipts: None.

V. Status of employee stock option plan: None.

VI. Issuance of Restricted Stock for Employees: None.

VII. New share issuance in connection with mergers and acquisitions: None.

VIII.Financing plans and implementation:

(I) Plan Content:1. Issuance of the Fourth Domestic Secured Convertible Bonds in 2026

(1) Total fund requirements for this plan: NT$400,000 thousand.

(2) Source of funds:The maximum issuance of the Fourth Domestic Secured Convertible Bonds is 4,000 units, with a face value of NT$100,000 per unit. The issuance period is 3 years with a coupon rate of 0%. The maximum total face value of the issuance is NT$400,000 thousand. The public underwriting will be conducted via competitive auction, with a floor price set at 100% of the face value. The actual issuance amount will be determined by the auction results. In the event of an undersubscription resulting in insufficient funds, the deficit will be covered by the Company's internal funds or by reducing the amount of bank loans intended to be repaid. If the actual funds raised exceed the projected amount, the surplus will be used to repay bank loans or bolster working capital.

(3) Plan items and scheduled progress of fund utilization

Unit: NT$ thousands

Project Item	Scheduled Completion Date	Total Funds Required	Scheduled Status of Fund Utilization
			2025
			Second Quarter
Repayment of bank loans	Q2 2025	400,000	400,000
Total		400,000	400,000

Source: Provided by the Company

(4) Expected Potential Benefits

The Company expects to raise NT$400,000 thousand through this issuance, which will be utilized for the repayment of bank loans. The interest rates of the loans to be repaid range between 2.485% and 2.54%. Based on an average interest rate of 2.52525%, it is estimated that interest expenses will be reduced by NT$5,051 thousand in 2025, and by NT$10,101 thousand annually starting from 2026.

This will moderately alleviate the Company's financial burden, enhance its debt-repayment capability, and reduce reliance on financial institutions. Furthermore, it will increase financial flexibility and have a positive impact on the Company's overall financial structure and the maintenance of its competitiveness.

(II) Status of Execution:

1. Issuance of the Fourth Domestic Secured Convertible Bonds in 2026

(1) Plan Items, Progress of Fund Utilization, and Status of Execution

Unit: NT$ thousands

Project Item	Status of Execution		Q2 2025	Reasons for being ahead of or behind schedule, and remedial plans
Repayment of bank loans	Amount Spent This Quarter	Planned	412,436	The repayment of bank loans was completed in Q2 2025 in accordance with the scheduled progress of fund utilization.
		Actual	412,436	
	Execution Progress This Quarter	Planned	100.00%	
		Actual	100.00%	
Total	Cumulative Amount Spent	Planned	412,436	
		Actual	412,436	
	Cumulative Execution Progress	Planned	100.00%	
		Actual	100.00%	

(2) Achievement of Benefits

The funds raised through the issuance of the Fourth Domestic Secured Convertible Bonds in 2025 totaled NT$412,436 thousand, all of which were used for the repayment of bank loans. In accordance with the original plan, the execution was 100% completed in Q2 2025. The projected benefit of saving NT$5,051 thousand in interest expenses for 2025 has been successfully achieved.

Acelon Chemicals and Fiber Co., Ltd.

Terms and Conditions of Issuance and Conversion for the Fourth Domestic Secured Convertible Bonds

I. Name of the Bonds

Acelon Chemicals and Fiber Co., Ltd. (hereinafter the "Company") Fourth Domestic Secured Convertible Bonds (hereinafter these "Convertible Bonds").

II. Issue Date

June 20, 2025 (hereinafter the "Issue Date").

III. Maturity Period

The term of the bonds is three years, commencing from June 20, 2025, and maturing on June 20, 2028 (hereinafter the "Maturity Date").

IV. Total Issuance Amount, Face Value, and Issue Price

The face value per bond is NT$100,000. A total of 4,000 units are issued, with a total face value of NT$400,000,000. These Convertible Bonds are offered via competitive auction for public underwriting. The actual issue price is 103.11% of the face value, and the total amount raised is NT$412,436,440.

V. Coupon Rate

The annual coupon rate is 0%.

VI. Date and Method of Principal Repayment and Interest Payment

Pursuant to Article V, the coupon rate is 0%, thus no interest payment date or method is specified. Unless bondholders (hereinafter "Bondholders") convert the bonds into the Company’s common shares (Article X), or the Company redeems them early (Article XVII), or the Company repurchases and cancels them through securities firms, the Company shall repay the principal in cash in a single lump sum based on the face value within 10 business days following the day after the Maturity Date. If said date falls on a day when the Taipei securities market is closed, it shall be postponed to the next business day.

VII. Guarantee Status

1. The Company appoints Taichung Commercial Bank Co., Ltd. as the guarantor bank (hereinafter the "Guarantor Bank"). The guarantee period starts from the date of full payment for the bonds until all principal, compensatory interest, and subordinate liabilities are settled. The scope of the guarantee covers the outstanding principal and interest compensation.
2. If a Bondholder intends to claim payment from the Guarantor Bank, they shall submit a request to the Trustee. Upon receiving such request, the Trustee shall notify the Guarantor Bank of the total amount. The Guarantor Bank shall pay the Trustee within 14 business days after receiving the notice.
3. During the guarantee period, if the Company fails to repay the principal or interest, violates the trust contract with the Trustee, violates the appointment guarantee contract with the Guarantor Bank, or violates matters approved by the competent authority sufficient to affect Bondholders' rights, these Convertible Bonds shall be deemed fully matured.
4. When requesting payment from the Guarantor Bank, Bondholders must sign a letter of undertaking (indemnity), certifying that their claims have been fully compensated by the Guarantor Bank and that they shall not make further claims regarding the guarantee liability.

VIII. Subject of Conversion

The Company’s common shares. The Company will fulfill conversion obligations by issuing new shares via book-entry delivery; no physical certificates will be printed.

IX. Conversion Period

Bondholders may request conversion from the day after three months from the Issue Date (September 21, 2025) until the Maturity Date (June 20, 2028), except during the following periods:

1. Statutory book-closure periods for common shares (excluding shareholders' meetings).
2. The period starting 15 business days prior to the record date for stock dividends, cash dividends, or cash capital increases, and ending on the record date.
3. From the record date of capital reduction until the day before the new shares begin trading.
4. From the start date of the suspension of conversion due to a change in share par value until the day before the new shares begin trading.

X. Conversion Procedure

1. Conversion is handled via book-entry through the Taiwan Depository & Clearing Corporation (TDCC). Bondholders fill out an application at their broker. Upon electronic notification to the Company's transfer agent, the conversion takes effect immediately and cannot be revoked. Shares will be delivered to the Bondholder's account within 5 business days.
2. For overseas Chinese and foreign investors, conversion and distribution must be handled via TDCC book-entry.

XI. Conversion Price and Adjustments

1. Determination of Conversion Price:

The base date for the conversion price is June 2, 2025. The base price is the arithmetic mean of the closing price of the Company's common shares for 1, 3, or 5 business days prior to the base date. This base price is multiplied by a premium of 104% to determine the conversion price (rounded to the nearest 0.1 NTD). The initial conversion price is set at NT$18.8 per share.

2. Adjustment of Conversion Price:

If the number of issued common shares increases (excluding issuance of new shares due to conversion or employee compensation), the price is adjusted as follows (rounded to the nearest 0.1 NTD, only downward):

$$Adjusted\ Price = Original\ Price \times \frac{Existing\ Shares + \frac{Payment\ per\ Share \times New\ Shares}{Market\ Price\ per\ Share}}{Existing\ Shares + New\ Shares}$$

- Note 1: Adjustments occur on the ex-rights date, merger date, or payment completion date.
- Note 2: "Existing Shares" includes all issued and private placement shares, minus treasury shares.
- Note 3: Payment per share for stock dividends is zero. For mergers, it is the net value per share of the dissolved company multiplied by the exchange ratio.
- Note 4: Market Price is the arithmetic mean of the closing price for 1, 3, or 5 business days prior to the adjustment date.
- Par Value Change:

$$Adjusted\ Price = Original\ Price \times (\frac{Shares\ before\ change}{Shares\ after\ change})$$

3. Cash Dividend Adjustment:

If cash dividends are distributed, the price is lowered on the ex-dividend date:

4. Issuance of Other Convertible Securities:

$$Price = Original\ Price \times \frac{Existing\ Shares + \frac{New\ Conversion\ Price \times Potential\ New\ Shares}{Market\ Price}}{Existing\ Shares + Potential\ New\ Shares}$$

If other convertible/subscription securities are issued at a price lower than the market price:

$$Adjusted\ Price = Original\ Price \times \frac{Existing\ Shares + \frac{New\ Conversion\ Price \times Potential}{Market\ Price}}{Existing\ Shares + Potential\ New\ Sha}$$

5. Capital Reduction Adjustment:

- To offset losses:

$$Adjusted\ Price = Original\ Price \times (\frac{Shares\ before\ reduction}{Shares\ after\ reduction})$$

- Cash Capital Reduction:

Adjusted Price=[Original Pirce x $(1 - \frac{Cash\ returned\ per\ share}{Closing\ price\ before\ last\ trading\ day})] \times \frac{Shares\ before\ reduction}{Shares\ after\ reduction}$

XII. Listing and Delisting

The bonds will be listed on the TPEx and delisted upon full conversion, redemption, or repayment.

XIII. Fractional Shares

Fractional shares will be paid in cash (rounded to the nearest NTD) after deducting book-entry fees.

XIV. Listing of New Shares

New shares will be listed on the Taiwan Stock Exchange (TWSE) from the date of delivery.

XV. Rights and Obligations after Conversion

The rights and obligations are identical to the Company's existing common shares.

XVI. Capital Change Registration

The Company shall announce the number of shares delivered due to conversion within 15 days after each quarter and apply for capital registration at least once per quarter.

XVII. Company's Redemption Rights

The Company may redeem all outstanding bonds at face value in cash if:

1. The closing price of common shares exceeds 130% of the conversion price for 30 consecutive business days (after 3 months of issuance).
2. The outstanding balance falls below 10% of the original total issue amount.

XVIII. Dividend Entitlement

Bondholders requesting conversion before the ex-dividend/ex-rights record date are entitled to the dividends for the previous year.

XIX. Cancellation

All redeemed, repaid, or converted bonds will be canceled.

XX. Registration and Taxes

Bonds and shares are in registered form. Transfers and taxes follow the "Criteria Governing Handling of Stock Affairs by Public Companies" and relevant tax laws.

XXI. Trustee

Land Bank of Taiwan Co., Ltd. is the Trustee representing Bondholders' interests.

XXII. Agent

The Company's transfer agent handles repayment and conversion.

XXIII. Form of Issuance

Scripless form via book-entry delivery.

XXIV. Miscellaneous

Any matters not covered shall be governed by relevant laws and regulations.

Four. Overview of Operations

I. Content of business

1. Scope of business

1. Core business:

(01) C301010 Yarn Spinning Mills
(02) C302010 Weaving of Textiles
(03) C303010 Manufacture of non-woven fabrics
(04) C399990 Other Textile and Products Manufacturing
(05) CI01010 Rope, Cable and Net Manufacturing
(06) C601010 Manufacture of Pulp
(07) F104110 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories
(08) F105050 Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures
(09) F113010 Wholesale of machinery
(10) F113020 Wholesale of Electrical Appliances
(11) F113030 Wholesale of precision instruments
(12) F204110 Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories
(13) F205040 Retail of furniture, bedding, kitchen utensils and installation products
(14) F213010 Retail Sale of Electrical Appliances
(15) F213040 Retail sales of precision instruments
(16) F213080 Retail Sale of Machinery and Tools
(17) C306010 Wearing apparel
(18) C307010 Clothing Accessories
(19) C801120 Manufacture of Man-made Fibers
(20) C802090 Manufacture of Cleaning Preparations
(21) C802100 Cosmetics Manufacturing
(22) C802110 Cosmetic Pigment Manufacturing
(23) CH01010 Sporting goods manufacturing
(24) CI01020 Rug and Felt Manufacturing
(25) CJ01010 Hat Manufacturing
(26) CK01010 Footwear Manufacturing
(27) CL01010 Umbrella Manufacturing
(28) CN01010 Furniture and Decorations Manufacturing
(29) F106010 Wholesale of Hardware
(30) F106020 Wholesale of Daily Commodities
(31) F106060 Wholesale of Pet Food and Supplies
(32) F107030 Wholesale of Cleaning Supplies
(33) F108040 Wholesale of Cosmetics
(34) F109070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies
(35) F120010 Wholesale of Refractory Materials
(36) F206020 Retail Sale of daily commodities
(37) F206050 Retail Sale of Pet Food and Supplies
(38) F207030 Retail Sales of Cleaning Supplies
(39) F208040 Retail Sale of Cosmetics
(40) F212050 Retail Sale of Petroleum Products
(41) F217010 Retail Sale of Fire Safety Equipment
(42) F220010 Retail Sale of Refractory Materials
(43) F301010 Department stores
(44) F399990 Retail sale of Other Integrated
(45) F401010 International Trade
(46) I101110 Textile Consulting
(47) I401010 General advertisement service
(48) I501010 Product Designing
(49) I502010 Clothing Designing
(50) C305010 Printing, Dyeing, and Finishing
(51) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
(52) D101060 Self-usage power generation equipment utilizing renewable energy industry

2. Percentage of operation

2025 percentage of operation:

Nylon yarn 16.16%, nylon textured yarn 39.53%, polyester textured yarn 10.27%, Eco-friendly yarn 22.94%, medical materials 1.25%, others 9.85%.

3. Current products:

Nylon yarn, polyester yarn, nylon textured yarn, polyester textured yarn, polypropylene textured yarn, ultra-fine fiber composite yarn
Dope-dyed yarn, antistatic yarn, cellulose fiber, end products, medical equipment.

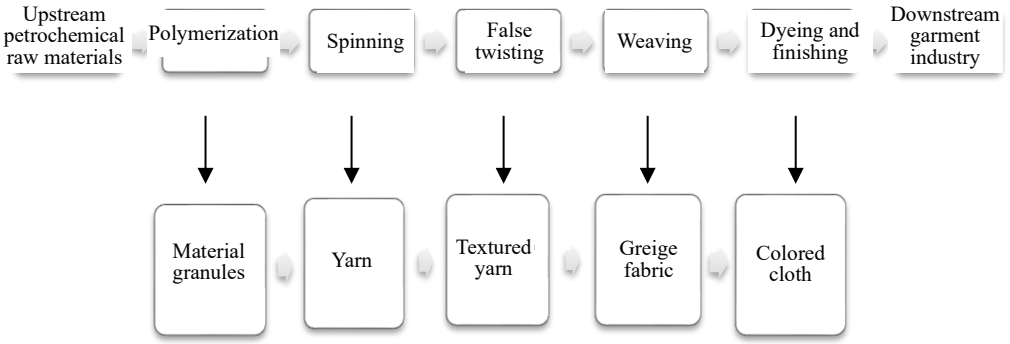
4. New products planned to be developed: Composite textured yarn, N/P solution-dyed yarn, eco-friendly textured yarn, high-strength textured yarn.

2. Overview of the industry

(1) Status and development of the industry

In response to changes in the economy and trading, the domestic man-made fiber industry has actively carried out structural adjustments to welcome the manufacturing of high-tech, functional and high-value clothing materials, and expand to non-fiber application fields. Covering health care, automotive, sports and other fields, the domestic man-made fiber industry has moved from capacity expansion to build a foundation for a procurement base for functional and eco-friendly fibers. In the future, the industry will move away from the conventional mindset to create a new look focusing on meeting consumer needs and technical requirements in the competitive global trading world.

(2) Relations between upstream, midstream and downstream of the industry:



3. Development trends and competition of products:

In 2025, the global economy faced continued pressure from international inflation and the reciprocal imposition of tariffs among countries. Domestically, rising electricity costs added further uncertainty to overall economic conditions. Amid intense global competition, Taiwan's exports remain disadvantaged by tariffs. To overcome the limitations in regional integration, companies must strengthen product differentiation and innovative applications. Therefore, we will continue to invest in forward-looking technology and innovation, while advancing product design, mass production research, and systematic management to further solidify our leadership in core competencies.

(III) Overview of technology and R&D

1. Research and development expenses

Description	2023	2024	2025
Research and development expenses	NT$47,508 thousand	NT$49,486 thousand	NT$45,592 thousand

2. Products successfully developed and introduced to the market in 2025

Description	Progress	Overview
(1) Dull Cellulosic Fiber	Completed	Currently, Lyocell yarns on the market are mostly high-luster. However, these can cause glaring issues when applied to fabrics. To meet the diverse needs of high-end and premium markets, we have completed the initial development of Dull Cellulosic Fiber. It eliminates luster while maintaining the same properties and dyeing characteristics as standard Lyocell. Mass production is now underway at our subsidiary, Zig Tai.
(2) Polylactic Acid (PLA) Fiber	Completed	PLA is derived from starch extracted from plants like corn and sugarcane, which is fermented into lactic acid and then polymerized. It features biodegradability, thermoplastic processability, and eco-friendliness. Its carbon footprint is neutral (no net increase in CO2 from combustion), its combustion heat is only 1/3 of PET, and it produces no NOx or SOx. The fiber can be fully decomposed into CO2 and water; as compost, it enriches the soil without pollution. Known as "Green Fiber," it is currently undergoing mass-production testing with Japanese clients.
(3) Flame-Retardant (FR) PET Yarn	Completed	To mitigate personnel and property losses caused by fires in industrial or medical environments, we developed High Flame-Retardant PET Yarn. With a phosphorus (P) content of >5300ppm, it is currently the highest grade of PET FR yarn available on the market. We will continue to promote and expand its market presence.
(4) Cost Reduction for Anti-Static Yarn	In development	Developed in response to customer demand for high-volume, low-cost anti-static yarns in the Chinese market. Testing is complete, and production costs have been reduced by 1/3.
(5) Water-Repellent + Dope-Dyed PET	Completed (ATY & FDY)	There are currently no similar products on the market. We must overcome key technical challenges in water-repellency effectiveness to further expand its range of applications.
(6) High-Value Recycled Nylon Yarn	Completed (Injection Samples)	Diverse product categories must be developed to meet the specific requirements of different customers.

(IV) Long-term and short-term business development planning

The man-made fiber and downstream weaving industries, just like other traditional manufacturing industries, have been moving to countries with low manufacturing costs. In the future, we have to adjust the proportion of domestic and export sales more flexibly according to changes in the market demand. Untapped markets and better connections with brands are the focus of our business expansion.

Short-term business development plan:

1. Develop long-term and loyal customers and improve service quality for stable business performance and co-create new business opportunities.
2. Develop channels of brand owners, align upstream, midstream and downstream partners, and improve differentiated product portfolios for better performance goals.
3. Expand sales of new products to increase profitability.
4. Accelerate development of latest products to be added to the product line.

Long-term business development plan:

Request brand owners to use the Company's raw materials to further improve profits and market share. Plan marketing strategies to increase exposure and brand aware to better connect with the world. Improve business objectives and sell high-margin products. Add new channels and sales of new products to avoid the erosion of profits due to changes in economy. Make achieving profitability a goal of the current business.

II. Markets, production, and marketing

(I) Market analysis:

1. Main product sales and services regions:

The current ratio of domestic to export sales is about 5:5. The domestic sales is mainly for domestic textile mills and traders. Regions of export sales cover Hong Kong, China, Europe, North and South America, Asia, Middle East and North Africa.

2. Market share:

Unit: Tonnes

Product type \ Year		2023		2024		2025	
		Sales volume	% of industry	Sales volume	% of industry	Sales volume	% of industry
Nylon yarn	Industry	120,891	100.00	134,961	100.00	112,141	100.00
	Acelon	7,872	6.51	7,576	5.61	6,527	5.82
Polyester yarn	Industry	442,042	100.00	462,764	100.00	391,901	100.00
	Acelon	104	0.02	415	0.09	220	0.06
Textured yarn	Industry	354,459	100.00	379,208	100.00	316,152	100.00
	Acelon	14,055	3.97	16,786	4.43	15,387	4.87

Source: Taiwan Man-Made Fiber Industries Association

3. Future market supply-demand and growth:

Nylon fiber has an irreplaceable position in apparel and industrial applications. In response to market demand, the production and sales strategy will focus on optimizing the customer and sales mix with more specialized services and extend to industries that can create more value, so as to promote our transformation and competitive advantage to achieve sustainability goals.

As the textile industry is part of the infrastructure supporting people's livelihood, the global economic downturn and the pandemic might have affected the demand, but the popularity of sports, the trends of combining fashion and functions, the drive by global brands toward corporate social responsibility and the growing demand in emerging countries have all generated new demand for high-quality, functional and green textiles. With the promotion for multiple new purposes, the demand for nylon fiber on man-man fiber products remains stable.

4. Competitive niche

We have a good R&D foundation and team, and have continuously developed and commercialized value-added products. In terms of marketing, we continue to develop sales channels for our value-added products, and actively collaborate with brand owners to expand the market share and increase profits. In terms of production management, we promote production strategy goals to reduce costs and improve quality.

5. Favorable and unfavorable factors affecting the future outlook

(1) Favorable:

①Flexible product strategy to create better competitive advantages.

②Strong manufacturing process and technical capabilities with cost advantage.

③Unlimited potential of new products, including eco-friendly fibers such as high-performance antistatic fibers, dope-dyed yarn, eco-friendly yarn, etc.

④Continuous expansion of end product types and sales channels to bring more business to the Company.

(2) Unfavorable:

①Low-price competition from China and Southeast Asian manufacturers.
②Violent fluctuation in prices of raw materials around the world.
③Uncertainty in tariffs of many countries.
④Trade barriers of many countries.
⑤The unpredictability of international geopolitics.

6. Countermeasures:

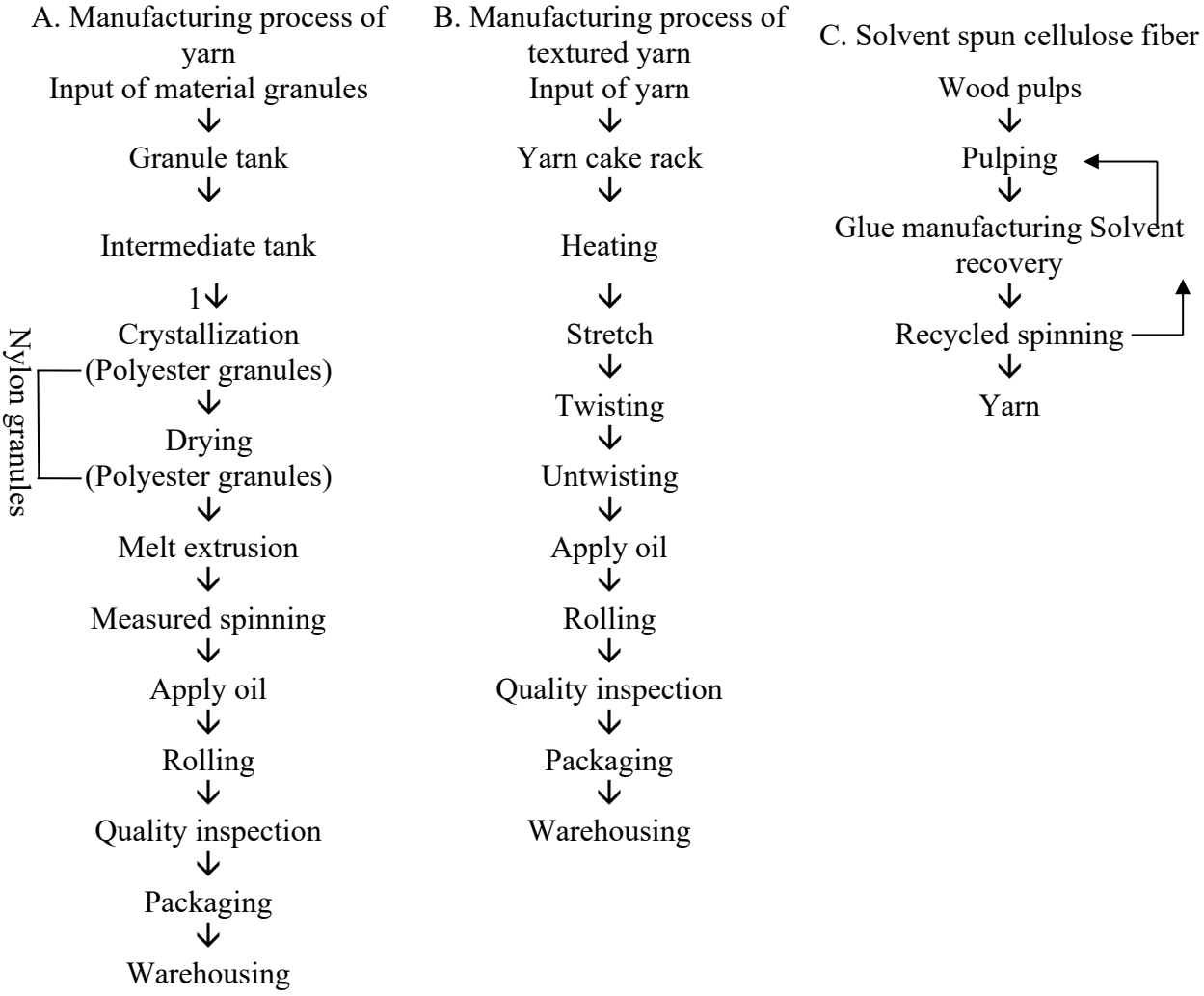
The ecosystem of trading for chemical fiber products can change rapidly due to globalization and formation of regional trade organizations. Market channels and marketing methods must also change accordingly. Faced with competition from emerging countries and domestic industry peers, we must have good quality, cost management and precise and quick delivery, apply flexible pricing policy and production and sales mix and actively align ourselves with the global trends (development of eco-friendly materials) to improve customer satisfaction and win more orders.

(II) Main uses and production processes of major products

1. Main product uses

Product Name	Uses
Nylon yarn	Clothing fabric, umbrella fabric, industrial fabric, sofa fabric, knitted cloth, rope
Polyester yarn	Clothing fabric, industrial fabric, knitted cloth, webbing
Imitation cotton nylon yarn, stretchable yarn	Clothing fabric, knitted cloth, aerobic wear, women's wear
Polyester textured yarn	Clothing fabric, knitted cloth, men's socks, webbing
Ultra-fine fiber composite yarn	High-density fabric, peach fabric, dust removal cloth, long and short fiber interwoven cloth, composite synthetic leather flannelette
Solvent spun cellulose filament	High-grade face fabric, lining, knitted cloth, various types of industrial fabrics

2. Manufacturing process



(III) Supply status of main raw materials

Nylon granules: Need about 1,464 tonnes per month; polyester granules: About 243 tonnes per month; polypropylene granules: About 49 tonnes per month.

(IV) List of main client in the last two years

1. Information on the main suppliers

Unit: NT$ thousands; %

	2024				2025				As of the end of the previous quarter in 2026			
Description	Item	Amount	% of the net purchase of the year	Relationship with the Company	Item	Amount	% of the net purchase of the year	Relationship with the Company	Item	Amount	Percentage of the net purchase as of the end of the previous quarter in the year (%)	Relationship with the Company
1	A0001	651,325	38.57%	None	A0001	272,784	21.23%	None	A0001	68,978	25.84%	None
2	A0002	429,614	25.44%	None	A0055	251,214	19.55%	None	A0002	40,000	14.98%	None
	Others	607,763	35.99%		Others	761,042	59.22%		Others	158,004	59.18%	
	Net purchase	1,688,702	100%		Net purchase	1,285,040	100%		Net purchase	266,982	100.00%	

Note 1: The financial information up to the previous quarter of 2026 has been reviewed by the certified accountants.

Note 2: List the names of suppliers whose deliveries account for more than 10% of the total purchase, and their amounts and percentages. Supplier codes may be used if the names cannot be disclosed as required by the contract or if the transaction counterparty is an individual and is not a related party.

Note 3: Reasons for changes: To meet business needs.

Note 4: The above information is calculated based on the consolidated financial statements.

2. Information on major customers:

Unit: NT$ thousands; %

	2024				2025				As of the end of the previous quarter in 2026			
Description	Item	Amount	% of the net sales of the year	Relationship with the Company	Item	Amount	% of the net sales of the year	Relationship with the Company	Item	Amount	Percentage of the net purchase as of the end of the previous quarter in the year (%)	Relationship with the Company
1	B0001	224,004	7.61%	None	B0001	271,025	10.41%	None	B0001	80,710	14.73%	None
	Others	2,718,923	92.39%		Others	2,333,440	89.59%		Others	467,124	85.27%	
	Net Sales	2,942,927	100%		Net Sales	1,285,040	100%		Net Sales	266,982	100.00%	

Note 1: The financial information up to the previous quarter of 2026 has been reviewed by the certified accountants.

Note 2: List the names of Customers whose deliveries account for more than 10% of the total sale, and their amounts and percentages. Customer codes may be used if the names cannot be disclosed as required by the contract or if the transaction counterparty is an individual and is not a related party.

Note 3: Reasons for changes: To meet business needs.

Note 4: The above information is calculated based on the consolidated financial statements.

III. Employees information

Information on employees for the most recent two years and up to the publication date of the annual report:

Year			2024	2025	As of March 31, 2026
Number of Employees	Managerial officer		23	27	27
	Production line workers		385	389	362
	General employees		57	58	57
	Total		465	474	446
Average age			43.0	43.7	45.3
Average service tenure (year)			12.5	13.1	14.0
Distribution of educational background (%)	Doctoral degree		0.22	0.21	0.22
	Master's degree		3.01	4.01	4.26
	College		32.04	32.28	33.18
	Senior high School		18.92	18.78	17.04
	Below senior high school	Domestic	10.11	6.33	6.50
		Foreign workers	35.70	38.39	38.80

Note: The above information is calculated based on the consolidated financial statements.

IV. Environmental protection expenditure

(I) For those who are required to apply for a pollution facility installation permit or pollution discharge permit, or those who are required to pay pollution prevention fees or organize staff for environmental protection in accordance with the law, the process for application, payment or establishment is described as follows.

1. The latest operation permit number for fixed pollution sources at our Puyan Plant is Government-issued Environmental Air Pollution Operation Certificate No. N1794-07, valid from March 17, 2026, to March 16, 2031. The latest water pollution prevention permit number is Changhua County Environmental Water Permit No. 06181-00, valid from April 23, 2024, to April 22, 2029.

   At our Fangyuan Plant, the latest operation permit number for fixed pollution sources is Government-issued Environmental Air Pollution Operation Certificate No. N1795-06, valid from January 22, 2025, to January 21, 2030. The latest water pollution prevention permit number is Changhua County Environmental Water Permit No. 05640-00, valid from March 29, 2023, to March 28, 2028.

   The latest operation permit number for fixed pollution sources at our Douliu Plant is Government-issued Environmental Air Pollution Operation Certificate No. P0853-04, valid from May 29, 2024, to May 28, 2027. The latest water pollution prevention permit number is Yunlin County Environmental Water Permit No. 0130-05, valid from April 18, 2026, to April 17, 2031. All pollution prevention fees are paid in full compliance with regulations.

   At our subsidiary, Acegreen, the latest operation permit numbers for fixed pollution sources are Government-issued Environmental Air Pollution Operation Certificate No. N2490-04 and Fuel Certificate No. N0021-02, valid from April 25, 2024, to April 24, 2029. The latest water pollution prevention permit number is Changhua County Environmental Water Permit No. 04894-01, valid from October 7, 2022, to October 14, 2025.

   All pollution prevention fees are paid in full compliance with regulations.

   The Company ensures full compliance with environmental regulations by reporting process-required treatment oils and industrial waste, as well as paying soil and groundwater pollution remediation fees on a quarterly basis.

2. The polution prevention and control fees of each factory are paid based on the Company's planning and actual needs.

3. We have always spared no effort in dealing with environmental issues. Talent nurturing is also very important to us. We currently have the following number of employees with professional certificates: 2 Class-B wastewater treatment specialists; 2 Class-A wastewater treatment specialists; 1 Class-A waste treatment technician; 2 Class-B waste treatment technicians; and 2 Class-B air pollution prevention and control specialist.

(II) Total amount of loss (including compensation and violation of environmental regulations discovered by environmental audit, which shall specify the date and document number of penalty, provisions of violation, content of violation and content of penalty) due to pollution as of the most recent year and the date of publication of the annual report. It also discloses the current and future potential estimates and countermeasures. If it cannot be reasonably estimated, please explain the fact: None.

(III) Future countermeasures and possible expenditures:None.

(IV) The environmental management system or certifications obtained: Oeko-Tex Standard 100.(Please see p. 136)

V. Labor relations

(I) Employee welfare plans, continuing education, training, retirement systems and the status of their implementation, as well as the status of labor-management agreements and measures for preserving employees' rights and interests.

1. Employee welfare measures: Implemented in accordance with relevant government regulations. The "Employee share ownership trust" system was introduced in 2021. The Employee Welfare Committee is responsible for formulating policy and meeting employee needs. The actual operations include the following:
   ① Purchase group insurance policy for employees and arrange periodic employee health check.
   ② Domestic and overseas trips, recreational activities and facilities.
   ③ Employee birthday gift vouchers, bonus and gift vouchers for three major national holidays, grants for weddings and funerals.
   ④ Children's scholarship.
   ⑤ Gift vouchers for senior employees.
2. Human resources development system:
   ① We have the Education and Training Management Procedures (APP01); Education and Training Committee Organizational Charter (AGSE5); Education and Training Committee Implementation Measures (AGSE6); Employee External Education and Training Measures (APP63); Internal Lecturer Management Measures (AGSD3); New University Graduates Training Implementation Rules (AGS093); and Hierarchy Joint Training Implementation Measures (APP65); New Recruit Trainer Management Measures (APP67); and Key Position Talent Development Management Measures (AGSG6) as standards for human resources development planning, implementation, evaluation and improvement.
   ② 2025 education and training achievements:

Item	Internal training	External training	Total
Batch	66	124	190
Person-time	601	151	752
Hours	834.5	1,280	2,114.5
Cost (NT$ Thousand)	593	425	1,017

Course Type	Classes	Training Hours	Executive Management	Mid-Level Managers	General Employees	Participants (Total)
New Employee Training	4	125	0	0	50	50
Core Competency Courses	4	158.5	42	81	93	216
Professional Competency Courses	182	1,831	15	59	412	486
Total	190	2,114.5	57	140	555	752

3. Employees' behaviors and ethics:

We have established the "Codes of Ethical Conduct" and the "Procedures for Ethical Management and Guidelines for Conduct" for all employees, managerial officers and board members to follow.

We have established the "Employee Work Rules", and the content has been reported to the County Government of Changhua for review and approval (Fu-Lao-Dong-Zi #1080231417 approved the amendment as of 2019.07.15). We amend the Rules from time to time to meet the regulatory requirements and management needs, and the Rules have been made into manuals to be distributed to all employees as guidelines for both employer and employees to follow.

4. Labor retirement policies:

We have formulated retirement policies for employees who were officially hired. The Company contributes a monthly amount equal to 3% of employees' monthly salaries and wages to a retirement fund at the Bank of Taiwan, the trustee, under the name of the independent retirement fund supervisory committee.

①We have established employee retirement policies.

②For those who chose the new pension system or new hires who were eligible for the new pension system after July 1, 2005, we allocate 6% of employees' monthly salaries and wages to the individual retirement fund account.

5. Retirement system and implementation progress

The Company's retirement system is administered in accordance with the Labor Standards Act and the Labor Pension Act of the Republic of China (Taiwan).

(1)Labor Standards Act (Old Scheme) – Defined Benefit Plan

a. Eligibility for Voluntary Retirement:

Employees may apply for voluntary retirement if they meet any of the following conditions:

At least 15 years of service and aged 55 or above

At least 25 years of service

At least 10 years of service and aged 60 or above

b. Retirement Pension Calculation:

The retirement pension is calculated based on the employee's average monthly wage at the time of approval. For each full year of service, two months' worth of average wages will be granted. For service beyond 15 years, one month's wage per year will be granted. The maximum pension is capped at 45 months of average wages.

For partial years of service, less than six months is calculated as half a year; six

months or more is considered a full year. In accordance with Article 54 of the Labor Standards Act, employees who are required to retire due to occupational duties are entitled to an additional 20% on top of the above calculation.

c. Retirement Reserve Contributions:

The Company contributes monthly an amount equal to 3% of the total salaries of employees covered under the old scheme to a dedicated retirement reserve account. At the end of each year, the Company evaluates the adequacy of the fund balance. If the reserve is insufficient to cover the estimated retirement payments for eligible employees under Articles 53 or 54, the Company will make a lump-sum contribution to cover the shortfall by the end of March the following year.

d. Supervision of Retirement Fund:

In accordance with the law, the Company has established a Labor Retirement Reserve

(2)Supervisory Committee to oversee the contribution, deposit, disbursement, and payment of retirement funds, thereby safeguarding employee rights.

Labor Pension Act (New Scheme) – Defined Contribution Plan

a. 6% Monthly Employer Contribution:

In accordance with the graded contribution table issued by the Bureau of Labor Insurance, the Company contributes 6% of each employee's monthly salary to their individual pension account.

b. Voluntary Employee Contribution:

Employees may voluntarily contribute up to 6% of their monthly salary to their personal pension account, in addition to the employer's contribution.

(3)Old Scheme Pension Settlement Program

In February 2024, the Company initiated a settlement program for employees retaining seniority under the old pension scheme. This program was offered to 84 employees (hired before June 30, 2005, excluding appointed managers), allowing them the option to receive their accrued pension under the old system in advance. The process was conducted in accordance with Article 11 of the Labor Pension Act.

A total of 84 employees signed the settlement agreement. As of December 31, 2025, the balance of the old scheme retirement reserve account was NT$2,908,900. We have calculated pensions for employees' application for retirement and mandatory retirement in accordance with the law so far.

6. Employee stock subscription system:

In order to make employees treat the Company as their own and improve cohesion, we allocate 10% to 15% of new share for employees subscription.

7. Whether there are disputes, or employer-employee relationship which needs to be coordinated: None.

(II) Total amount of loss (including violation of the Labor Standards Act discovered by labor audit, which shall specify the date and document number of penalty, provisions of violation, content of violation and content of penalty) due to labor dispute as of the most recent year and the date of publication of the annual report. It also discloses the current and future potential estimates and countermeasures. If it cannot be reasonably estimated, please explain the fact: The status of labor relations is considered good, and we have no major labor disputes so far.

(III) On 2015.12.23, we officially signed a collective agreement with the labor union of Acelon. The effective period of the agreement is from 2024.04.01 to 2027.03.31, and a new agreement will be negotiated once the current one expires.

1. The membership enrollment rate of the enterprise union is 99.6% in 2025.
2. In 2025, a total of 5 routine meetings were held, including 1 member representative assembly and 4 board meetings.

(IV)Protection measures for work environment and employees' personal safety

1. Equipment maintenance and inspection
   (1)Carry out regular inspections, key inspections and operation inspections of machinery and equipment in accordance with the safety and health inspection plan.
   (2)All dangerous machinery and equipment have passed the inspection conducted by inspection agencies designated by the central competent authority, and certificates have been obtained.
2. Work safety permit system
   Works that involve the use of flame, elevated operations, crane hoisting, anoxic environment (entry into tanks) and other controlled construction will need a permit before the operation. Necessary protective measures must be taken to ensure the safety of employees.
3. Contractor management
   (1)Formulate contractor safety and health management measures.
   (2)Inform contractors of their work environment, hazards, and relevant measures to be taken before they enter the factory for work.
   (3)Formulate the operations management measures for consultative organizations in accordance with the law, and set up a consultative organization to prevent occupational injuries of contractors and sub-contractors.
   (4)Contractors should submit their safety and health management information and join

the consultative organization before entering factories for work.

(5)Hold meetings of the consultative organization to carry out work communication and coordination.

4. Safety and health management audit

(1)Section-level supervisors should conduct patrol inspections for safety and health issues at the job sites regularly or irregularly.

(2)The Health and Safety Section visits each factory to carry out document audits and on-site safety and health inspection every month.

5. Work environment testing

(1)Formulate a work environment monitoring plan, and conduct a work environment testing in March and September every year.

(2)Carry out inspections for stationary sources every year in accordance with environmental protection regulations.

(3)Carry out fire safety equipment maintenance in June and December every year.

6. Status of education and training

(1)Safety and health education and training sessions for new hires.

(2)Safety and health education and training for on-the-job employees and specialized education and training for employees carrying out specialized operations.

(3)Self-defense fire formation training every June and December.

7. Health inspection

(1)Conduct physical exams for new hires. Implement regular health checks for on-the-job employees every year. For employees engaged in hazardous operations, carry out special health checks.

8. Health promotion

(1)Implementation of a Smoke-Free Policy: The Company has implemented a comprehensive smoking ban across all plant areas to provide employees with a smoke-free working environment. In 2025, the Puyan Plant, Fangyuan Plant, Douliu Plant, and our subsidiary, Acegreen, all applied for and were awarded the "Health Promotion Label" under the Health Workplace Self-Authentication issued by the Health Promotion Administration, Ministry of Health and Welfare (formerly the Department of Health).

(2)Each factory hires contracted medical personnel to provide on-site medical services. Factories in Puyan and Douliu have 50 to 99 people, and nurses visit the factories once a month, and medical specialists visit the factories once a year. Factory in Fangyuan and the subsidiary Acegreen have 100 to 199 people, and nurses visit the facilities four times a month, and physicians visit the facilities four times a year. They provide health consultation, four major plans and occupational disaster prevention courses.

VI. Cybersecurity management

(I) Risk management framework

The Computer Information Division is the responsible unit for information security. It has an information supervisor and a network engineer. They are responsible for the safety of the network structure and equipment, the establishment of information security policies and measures and the performance of information security tasks. Ms. Su-jen Chen has been appointed as the Information Security Manager of our company, as resolved in the 12th meeting of the 12th Board of Directors.

(II) Cybersecurity policy

1. Ensure that the Company's business operations continue to run, and the information services protected can be used in a stable manner.
2. Ensure the confidentiality, integrity and availability of the information assets held by the Company, and protect the privacy off personnel data.
3. Establish a business continuity management and plan for information, and implement activities that meet the requirements of relevant laws or regulations.

(III) Specific management solutions

1. Computer equipment safety management

(1) We put our mainframe, application servers and other equipment in the dedicated computer room. The access is controlled by keys which are held by authorized personnel.

(2) The computer room is equipped with an independent air-conditioning system to maintain the operation of computer equipment in an appropriate temperature. Chemical fire extinguishers are placed, which can be applied to fires caused by general or electrical appliances.

(3) The mainframe in the computer room is equipped with uninterruptible power supply and voltage stabilizing equipment, and connected to the in-house generator system to prevent system crashes or interruption to applications due to unexpected power outage from Taiwan Power Corporation.

(4) Personal computers are placed inside the office, and kept locked during non-working hours, so that those who are not employees will not be able to access them.

2. Virus protection and management

(1) Anti-virus software is installed in the server and employees' terminal computer equipment. The virus code is automatically updated to ensure that the system can block out the latest virus, and at the same time detect and prevent the installation of system execution files with potential threats.

(2) The email server is equipped with mail anti-virus and spam filtering measures to prevent viruses or spam from entering users' PC.

(3) Software is legally purchased from distributors , and the software installation is subject to authorization to prevent employees from unknowingly installing illegal software.

3. Network security management

(1) The connection between each factory area and the Internet is controlled by an enterprise-level firewall to block illegal intrusions and filter illegal and malicious traffic.

(2) The firewall configures Internet behavior management and filtering equipment to control Internet access. Block access to network addresses and content that are harmful or not allowed by our policy. Strengthen network security and prevent bandwidth from being improperly occupied.

(3) The connection between factories adopts the MPLS VPN, which is independent of the transmission of the general Internet, so as to prevent illegal interception during data transmission.

(4) Employees accessing the ERP system remotely via the company's internal network must apply for VPN connection authorization. Access is granted for a limited period, during which login and usage must be conducted through the VPN. All usage activities are recorded and are subject to audit.

4. IoT security management

(1) The Company has incorporated the use of smart manufacturing into processes, and sensors are installed on the machine, so that the machine status and manufacturing progress can be actively collected to the server through the sensors.

(2) Each machine has an independent network segment, so as to prevent the failure of one single machine from affecting all others and office computers. VLAN is used for isolation. If two network segments need to be connected, they must pass through the firewall for routing, and are scanned for malicious traffic to be blocked.

5. System access control.

(1) Employees apply for the account and password they need for the access of each application system. After their appropriate authorization level is approved, the Department of Information creates the account and password for them, and then the system administrator allow them to have the access with the functions and authorization level they apply for.

(2) Account access requires passwords that have appropriate strength and number of characters, and must be a mix of alphanumeric characters symbols for access.

(3) Before resigning (retiring) from the job, employees have to notify the Information Section through an application form to terminate (delete) their account on all systems.

6. File security control:

(1) New hires can only apply for an account that has the authority level needed to perform the tasks required for the business unit they work for, and account is activated by the Information Section.

(2) Employees who wish to access documents of the other units need to follow internal procedures on applying for system authorization before they can access the files.

(3) Employees who have a job rotation will have the access to the files in the original unit deleted on the effective date of their rotation, except for those who have applied for preservation in advance.

(4) Connection of external storage devices to computers is restricted. Computers will not respond to external storage devices inserted by unauthorized personnel.

(5) We will introduce a file management system in the future to manage file permissions and flows.

7. Ensure continuous operation of the system

System backup: The Company adopts a daily backup routine. In addition to keeping one copy of files in the local computer room, it transmit additional copies to other factories for off-site backup.

8. Information security promotion and education and training

The Company sends information security information to employees from time to time, and conducts information security promotion sessions twice a year to enhance employees' awareness of information security.

(IV) Resources committed to cybersecurity management

Self-inspection and warning notice:

(1) The annual cybersecurity inspection conducted by the Audit Section checks whether the information security policy established by the Company is implemented, and the Audit Section checks whether the existing policy meets the current standard and regulatory guidelines from time to time.

(2) Subscribe to information related to information security. If there is a major vulnerability incident or news related to information security, the Information Section will be notified, and then make public announcements.

(V) List the losses, possible impacts and countermeasures suffered from major information security incidents as of the most recent year and the date of publication of the annual report. For the incidents that cannot be reasonably estimated, describe the fact: None.

VII. Important contracts: None.

Five. Review and Analysis of the Financial Position and Performance and Risk Management

I. Comparison of financial position

Unit: NT$ thousands

Year / Description	2024 (Consolidated)	2025 (Consolidated)	Difference	
			Amount	%
Current assets	1,455,075	1,657,402	202,327	13.90%
Fixed assets	1,789,737	1,747,722	(42,015)	(2.35%)
Non-current assets	208,445	277,460	69,015	33.11%
Total assets	3,453,257	3,682,584	229,327	6.64%
Current liabilities	777,312	475,079	(302,233)	(38.88%)
Non-current liabilities	1,181,819	1,570,378	388,559	32.88%
Total Liabilities	1,959,131	2,045,457	86,326	4.41%
Capital	1,111,573	1,111,573	0	0.00%
Capital surplus	431,573	640,355	208,782	48.38%
Retained earnings	(75,291)	(196,763)	(121,472)	161.34%
Others	(5,069)	(8,920)	(3,851)	75.97%
Non-controlling interests	31,340	90,882	59,542	189.99%
Total equity attributable to the parent company	1,462,786	1,546,245	83,459	5.71%

Note: Explain the main reasons contributing to the significant changes (at least 20% between the periods and the amount of change exceeds NT$10 million) in assets, liabilities and shareholders' equity in the past two years, the impact and the future responsive measures.

1. Increase in Non-current Assets: Primarily due to an increase in prepayments for equipment and deferred income tax assets.
2. Decrease in Current Liabilities: Primarily due to the repayment of short-term borrowings.
3. Increase in Non-current Liabilities: Primarily due to the issuance of convertible bonds.
4. Increase in Capital Surplus: Primarily due to the recognition of stock options from convertible bonds and the gain from the difference between the actual disposal price of subsidiary equity and its book value.
5. Decrease in Retained Earnings: Primarily due to an increase in losses; please refer to the Profit and Loss Analysis on page 126 for further details.
6. Increase in Non-controlling Interests: Primarily due to the disposal of equity in a subsidiary during the current period.

II. Review and analysis of financial performance

(I) Comparison of Financial Position

Unit: NT$ thousands

	2024(consolidated)		2025(consolidated)		Different in amount	Change in %
	Subtot	T o t a l	Subto	Total		
Total revenue	2,960,850		2,618,126			
Less: Sales returns		9,312		7,671		
Sales allowances		8,611		5,990		
Net revenue		2,942,927		2,604,465	(338,462)	(11.50%)
Operating costs		2,645,601		2,428,821	(216,780)	(8.19%)
Gross profit (loss)		297,326		175,644	(121,682)	(40.93%)
Operating expenses		295,174		265,021	(30,153)	(10.22%)
Sales and marketing expenses	171,075		127,278			
Administrative and general expenses	74,564		92,151			
Research and development expenses	49,486		45,592			
Expected credit loss(profit)	49		0			
Operating income (loss)		2,152		(89,377)	(91,529)	(4,253.21%)
Non-operating income and expenses		7,922		(53,956)	(61,878)	(781.09%)
Interest income	2,169		4,027			
Other income	17,216		7,934			
Other benefits and losses	25,053		(31,595)			
Finance costs	(34,577)		(32,184)			
Loss recognized using the equity	(1,939)		(2,138)			
Net profit (loss) before tax from		10,074		(143,333)	(153,407)	(1,522.80%)
Income tax expense (benefit)		(7,329)		(26,585)	(19,256)	262.74%
Net profit (loss) for the current period		17,403		(116,748)	(134,151)	(770.85%)

Analysis of percentage increase / decrease:

1. Net Revenue decreased by 11.5%, Gross Profit decreased by 40.93%, and Operating Income decreased by 4,253.21%: Primarily due to global overcapacity, low utilization rates, exchange rate fluctuations, and volatile raw material prices. Furthermore, indirect impacts from U.S. reciprocal tariffs led to an influx of low-priced Chinese products across global markets. Intense price competition and more conservative ordering patterns from customers resulted in a decline in orders from major markets. This led to a sharp reduction in sales volume, lower selling prices, and higher unit costs due to reduced production capacity, ultimately resulting in a decrease in gross profit.
2. Operating Expenses decreased by 10.22%: Primarily due to a decrease in export-related expenses.
3. Total Non-operating Income and Expenses (Loss increased by 781.09%): Primarily due to foreign exchange losses arising from currency fluctuations affecting foreign currency deposits.
4. Net Loss Before Tax increased by 1,522.80% and Net Loss for the Period increased by 770.85%: Primarily due to the decrease in gross profit, the increase in net operating loss, and the increase in non-operating expenses.
5. Income Tax Benefit increased by 262.74%: Due to an increase in deferred income tax benefits related to the creation and reversal of temporary differences and tax loss carryforwards. The primary components include unrealized inventory devaluation losses and tax loss carryforwards.

(II) Analysis of changes in gross profit

Unit: NT$ thousands

	Changes before and after the increase and decrease	Description of differences			
		Difference in selling price	Difference in cost	Difference in sales mix	Difference in quantity
Operating gross profit	(121,683)	(271,037)	(67,702)	65,383	16,269
Description of reasons	1. Selling Price Variance: Primarily due to a decrease in the selling prices of nylon specification products (Unfavorable). 2. Cost Price Variance: Primarily due to a decrease in the cost prices of nylon specification products (Favorable). 3. Sales Mix Variance: Primarily due to the fact that the reduction in selling prices for nylon textured yarns exceeded the reduction in costs, coupled with a simultaneous decrease in sales volume (Favorable). 4. Sales Volume Variance: Primarily due to an increase in the sales volume of eco-friendly fiber products (Favorable), driven by the growing market trend and enthusiasm for environmental sustainability.				

III. Review and analysis of cash flow

Unit: NT$ thousands

Opening Balance	Net cash flow from operating activities for the year	Cash used for the year	Amount of cash surplus (shortfall)	Remedy for insufficient cash	
				Investment plan	Financing plan
198,420	278,218	154,132	630,770	—	—

1. Analysis of the changes in cash flow of the current year:

(1) Operating Activities: Net cash inflow of NT$278,218 thousand, primarily due to depreciation, interest expenses, and a decrease in inventory, despite the reported net loss after tax.

(2) Investing Activities: Net cash outflow of NT$165,367 thousand, primarily used for capital expenditures.

(3) Financing Activities: Net cash inflow of NT$319,499 thousand, primarily due to the issuance of corporate bonds and the disposal of equity in a subsidiary.

2. Remedy and flow analysis for the cash shortfalls: None.

3. Cash flow analysis for the coming year: None.

Opening Balance (1)	Estimated cash flow from operating activities (2)	Estimated Cash used for the year (3)	Estimated amount of cash surplus (shortfall) (1)+(2)−(3)	Remedy for insufficient cash	
				Investment plan	Financing plan
630,770	371,714	162,890	839,594	—	—

IV. Impact of major capital expenditures on financial operations: None.

V. Company's re-investment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year:

Unit: NT$ thousand

<table>
<tr><th>Investee</th><th>Investment amount</th><th>Reinvestment policy</th><th>Main reasons contributing to profit or loss</th><th>Improvement plan</th><th>Investment plan for the coming year</th></tr>
<tr><td>ADVANCE WISON LTD.</td><td>17,632 (USD 552)</td><td rowspan="4">In order to achieve vertical integration of production capability and improve competitive advantages of the Company's products, we indirectly invest in Vietnam through an offshore investment holdings company.</td><td rowspan="4">The offshore company indirectly invests in Vietnam, but it is not officially in operation. The main expenses are for local management and regulations, resulting in a loss in the settlement.</td><td rowspan="2">Gain on disposal of long-term investment assets</td><td rowspan="2">None</td></tr>
<tr><td>ALPHA BRAVE INC.</td><td>17,376 (USD 544)</td></tr>
<tr><td>TIME GLORY CORP.</td><td>20,218 (USD 631)</td><td rowspan="2">After the investment in Vietnam officially starts its mass production and operations, we will be able to turn losses into profits.</td><td rowspan="2">Determined by the market and economy condition.</td></tr>
<tr><td>CHAMPION LEGEND CORP.</td><td>16,506 (USD 514)</td></tr>
</table>

VI. Risk management and assessment

(I) Impact of changes in interest rates and currency exchange and inflation on the Company's profit and loss in the most recent year and the response measures to be taken in the future:

1. Interest rate: We implement corporate governance and adopt sustainable practices, and have continued to receive support form various banks. The 2025 interest expense was NT$32,184 thousand, an decrease of NT$2,393 over NT$34,577 in 2024.
The company will continue to closely monitor market interest rate trends and adjust various long and short-term financing instruments accordingly to reduce the overall cost of funds.

2. Exchange rate: Our main export products and raw materials imported are priced in US dollars, and the receivables and payables are in the same foreign currency, which has a natural hedging effect. The amount of 2025 net exchange gain was NT$17,892 thousand. We will pay close attention to the exchange rate changes and adjust the spot positions in a timely manner. We will also use forward instruments for hedging operations to reduce the impact of exchange rate changes on the Company's profit and loss.

3. Inflation: We have signed long-term contracts with major suppliers to reduce the risk of inflation, and will continue to pay close attention to global raw material trends and market changes

to adjust procurement strategies.

(II) The Company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees and derivatives transactions and the main reason contributing to its profits and losses in the most recent year and the response measures to be taken in the future:

We have not engaged in high-risk, highly-leveraged investment projects in the most recent year. As of the publication date of the annual report, the endorsement guarantee is for the Company's subsidiary to obtain bank financing, and it follows the provisions of the "Procedures for Endorsements and Guarantees". Lending of funds to subsidiaries is to meet their short-term working capital needs, and it follows the provisions of the "Procedures for Lending Funds to Others". We engage in derivatives transactions for the purpose of hedging. It is to avoid the risks on net assets or liabilities denominated in foreign currencies due to fluctuations in exchange rates. It follows Article 10 on the handling of derivatives described in the "Measures for Handling Acquisition or Disposal of Assets" for transactions and follow-up risk assessment management.

(III) Future R&D projects and the projected R&D expenses:

Unit: NT$ thousand

Products developed	Current progress	Re-investment	Expected completion date	Key success factor
A. PCM Microencapsulated Thermoregulating Yarn	In development	12,000	2026.12	Raw material spinnability and product development
B. Water-Repellent Dope-Dyed PET (DTY)	In development	10,000	2026.12	Raw material spinnability and product development
C. Conductive Yarn	In development	12,000	2026.12	Raw material spinnability and product development
D. White Anti-static Yarn	In development	12,000	2026.12	Raw material spinnability and product development
E. UHMWPE Fiber	In development	12,000	2026.12	Raw material spinnability and product development
F. Invisible (or Seamless) Yarn	In development	15,000	2026.12	Raw material spinnability and product development
G. PE Cooling Yarn	In development	6,000	2026.12	Raw material spinnability and product development

(IV) Effect on the Company's financial operations of important policies adopted and changes in the legal environment at home and abroad in the most recent year, and measures to be taken in response:

The Company has cooperated with the competent authority In the revision of policies and laws in corporate governance, the Company Act, the Securities and Exchange Act and others, and currently there is no significant impact on the finances.

(V) Effect on the Company's financial operations of developments in science and technology as well as industrial change, and measures to be taken in response:

The Company spares no effort in the research and development of textile technology. We continuously align with market and customer demands, allocating capital to develop various functional products. By closely monitoring technological shifts within the industry and capturing market trends, we maintain our leading position in technology and product innovation. Furthermore, we have strengthened our information security risk management to safeguard the Company's financial and operational trade secrets.

To ensure the effective implementation of intellectual property management, the Company has established the following management plans and methods:

A. Intellectual Property Management Objectives

1.Establishment of Regulations: Develop IP management norms and measures to enhance competitive advantages.

2.Education and Training: Plan and provide employees with IP-related information, resources, and training courses.

3.Regular Inventory: Periodically audit the Company's active patents, trademarks, and copyrights.

4.Patent Mapping: Establish and regularly review the "Technology-Effect Matrix" (Patent Map) of the Taiwan textile industry to formulate R&D strategies and future patent portfolios.

B. Protective Measures and Plans

1.External Measures:

Patent Assessment: Periodically monitor domestic and international textile industry trends and relevant patent content.

Patent Mapping Construction: Systematically categorize patents by product type and technology.

Infringement Prevention Education: Enhance R&D personnel's legal awareness of patents and respect for IP rights to ensure the legality of product development and avoid unnecessary litigation.

2.Internal Measures:

Maintenance of Existing Patents: Review the usage and relevance of granted patents to evaluate the necessity of continued maintenance.

Stimulating Internal Creativity: Regularly encourage innovation among R&D staff to improve the quality and quantity of patent filings.

Confidentiality Agreements: Require all employees to sign "Confidentiality and Non-Compete Agreements" upon hiring to protect the Company's trade secrets.

3.Trademark Measures:

Brand Portfolio: Strategically register trademarks and products in primary and secondary global sales regions.

Regular Review: Evaluate the usage of registered trademarks for maintenance purposes and proactively apply for new trademarks based on future corporate development.

4.Copyright & Information Security Measures:

Internal Information Systems: Established an Information Security Team to monitor internal and external security and optimize protection mechanisms.

5.Brand Marketing: Formed a marketing team to select materials and formulate marketing strategies.

Trade Secret Protection:

Access Control: Employees use magnetic access cards with department-specific permissions. External visitors must register, follow a restricted scope of activity, and be accompanied by staff at all times.
Data Security Management: Computer equipment requires individual account/password authentication with regular updates. Access permissions are strictly partitioned based on internal regulations.

C.Operational Status

IP Inventory: As of 2025, the Company has obtained:

1.Active Trademarks in Taiwan: 132 items (4 in the process of assignment), with 8 applications pending.
Active Trademarks in Mainland China: 49 items (1 in the process of assignment).
Active Patents: 9 items (5 in the process of assignment), with 4 others under examination.
2.Compliance Window: The Legal Department serves as the dedicated window for IP compliance consultations and infringement reporting.

3.Training & Resources:
Provides legal compliance materials on a shared platform.
In October 2025, training was conducted via an E-learning platform for management and R&D personnel. A total of 101 participants completed 52 hours of study, achieving a 100% pass rate on subsequent tests.

4.Information Dissemination: Monthly summaries of domestic and international IP news are distributed to all group employees.

D.Board Reporting

Reported to the 9th Meeting of the 13th Board of Directors on November 11, 2025.

(VI) Effect on the Company's crisis management from changes in the Company's corporate image, and measures to be taken in response:

We have always adhered to the principles of professionalism, ethics, and excellence, maintained good relationships with customers, suppliers, banks, shareholders and employees, and kept our corporate image intact. There are no other factors that have caused changes in corporate image to trigger a crisis situation.

(VII) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken:
As of the publication date of the annual report, the Company has not made acquisitions or been acquired by other companies.

(VIII) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken: None.

(IX) Risks associated with any consolidation of sales or purchasing operations, and mitigation measures ɐing or to be taken:
/e spread out the allocation of purchases and sales, and have not concentrated purchases or sales n specific parties. The acquisition of material resources also splits among different regions and ɔmpanies at home and abroad to reduce the price and market risks of our products.

(X) Effect upon and risk to the Company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10% stake in the Company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken:

As of the publication date of the annual report, there have not been any major transfers or changing hands of shares of directors or principal shareholders holding more than 10% of the shares.

(XI) Effect upon and risk to Company associated with any change in governance personnel or top management, and mitigation measures being or to be taken:
As of the publication date of the annual report, there have not been any major transfers or changing hands of shares of directors or principal shareholders holding more than 10% of the shares, so the ownership of the Company has not changed.

(XII) For major litigation, non-litigation or administrative incidents that involve the Company and/or any director, supervisor, the president, any person with actual responsibility for the firm, any principal shareholder holding a stake of greater than 10 percent and/or any other company or companies controlled by the Company and of which the results may have a significant impact on the Company's shareholders' interests or the securities price, the facts at issue, amount of the subject matter, the start date of litigation, the main parties involved and the current status as of the publication date of the annual report shall be disclosed:

As of the date of publication of this annual report, the following unresolved litigation cases have occurred:None.

(XIII) Other important risks, and mitigation measures being or to be taken: None.

VII. Other important matters: None.

Six. Special Matters to be Included

I. Information related to the company's affiliates
Please visit the Market Observation Post System (MOPS) at https://mops.twse.com.tw, select "Listed Company Info," then go to "Electronic Documents Download" and click on the "Affiliated Enterprises Disclosures" section to search.

II. Status of private placement of securities during the most recent fiscal year or up to the date of publication of the annual report: None.

III. Other supplementary notes:None.

Seven. In the most recent fiscal year and up to the date of publication of the annual report, any material events as defined under Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act that could significantly impact shareholders' equity or the price of the Company's securities, if any:None.

Criteria for assessing the independence of accountants: (Refer to Article 47 of the Certified Public Accountant Act and the Bulletin #10 of the Code of Ethics for Professional Accountants)

Description		Results
1.	The CPAs appointed by the Company have not had conducted the audit services for the Company for seven consecutive years.	■Yes ☐No
2.	No material financial interest relationship with the client.	■Yes ☐No
3.	Avoid any inappropriate relationship with the Company.	■Yes ☐No
4.	The appointed accountants ensures that the assistants maintain honesty, impartiality and independence.	■Yes ☐No
5.	Not auditing or verifying the financial statements of the organization within two years prior to the practice.	■Yes ☐No
6.	The name of the appointed accountants shall not be used for other purposes.	■Yes ☐No
7.	Not holding shares of the Company or its affiliates.	■Yes ☐No
8.	Not have loaning or borrowing transactions with the Company or its affiliates.	■Yes ☐No
9.	Not having a joint investment or benefits sharing with the client.	■Yes ☐No
10.	Not holding a concurrent position in the Company or its affiliates to receive a fixed salary.	■Yes ☐No
11.	Not involving in the management function setting policies in the Company or its affiliates.	■Yes ☐No
12.	Not operating other businesses that may cause a loss of the independence.	■Yes ☐No
13.	Not having a marital relationship and is not a relative within the second degree of kinship to any other executive officers of the Company.	■Yes ☐No
14.	Not requesting any commission related to the tasks.	■Yes ☐No
15.	Have not been punished or suffered from incidents that damage the principle of independence so far.	■Yes ☐No

Statement from the Accounting Firm

EnWise CPAs & Co.
EnWise CPAs & Co.
9F-1, No. 130, Taiyuan North Road, North District, Taichung City, 404
TEL (04) 2296-6234; Fax (04) 2296-0607/2297-6918

Letter from EnWise CPAs & Co.

No. 94, Fanjin Road, Puyan Township, Changhua County
Recipient: Acelon Chemicals & Fiber Corporation

Date of Issue: January 9, 2025
Publication Document Number: Jian-Fa (115) Zi #01004
Priority: Standard
Confidentiality Level: Regular
Appendix:2024 Audit Quality Indicators (AQI) information

Subject: 2025 Independence and Audit Work Statement and 2024 Audit Quality Indicators (AQI) information

Description:

1. We have complied with and will continue to comply with the Bulletin #10 of the Code of Ethics for Professional Accountants on “Integrity, Fairness, Objectivity and Independence” in our audit of the 2025 (January 1, 2025 to December 31, 2025) financial statements of Acelon Chemicals & Fiber Corporation.
2. We have also attached the Audit Quality Indicators (AQI) information of our firm regarding your company for the most recent complete fiscal year.

Original:
Duplicate copy:

CPA Nian-jie Liao

CPA Ching-Yi Chen

Acelon Chemicals & Fiber Corp.
No.94, Fan Chin Rd.,
Puyan Township, 516015 Changhua
County
Taiwan

TESTEX AG, Swiss Textile Testing Institute
Gotthardstrasse 61
8002 Zurich
Switzerland

Certificate

OEKO-TEX® STANDARD 100

Acelon Chemicals & Fiber Corp.

is granted the OEKO-TEX® STANDARD 100 certification
and the right to use the trademark.

SCOPE
100% Nylon 6 filament and textured yarns, raw white, dope-dyed in optical white, black
100% Polyester textured yarns, raw white, dope-dyed in black and khaki
100% Polypropylene textured yarns, dope-dyed in black
(based on material partly pre-certified according to OEKO-TEX® STANDARD 100)

PRODUCT CLASS
I (baby articles) - Annex 6

STANDARD 100 HKYO 039120 TESTEX

This certificate HKYO 039120 is valid until 15.07.2025.

SUPPORTING DOCUMENTS
- ✓ Test report : TP005 245645.1
- ✓ Declaration of conformity in accordance with EN ISO 17050-1 as required by OEKO-TEX®
- ✓ OEKO-TEX® Terms of Use (ToU)

Matz Bachmann
Managing Director

Dijana Ajdinovic
Ecology Team Leader

Further compliance information (REACH, SVHC, POP, GB18401 etc.) can be found on oeko-tex.com/en/faq.

The certificate is based on the test methods and requirements of the OEKO-TEX® STANDARD 100 that were in force at the time of evaluation.

Zurich, 2024-09-11

OEKO-TEX Service GmbH Genferstrasse 23, CH-8002 Zurich

Acelon Chemicals & Fiber Co., Ltd.

Chairman: Wen-Tung Chou