Stock Code: 1466

Acelon Chemicals & Fiber Co., Ltd.

2026 Annual General Meeting

Meeting Handbook

June 16, 2026

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Acelon Chemicals & Fiber Co., Ltd.

Agenda for 2026 Annual General Meeting

One. Time: 09:00 am, June 16, 2026 (Tuesday)

Two. Venue: Friendship Hall at Puyan factory (No. 94, Fanjin Road, Puyan Township, Changhua County)

Three. Meeting method: Physical venue

Four. Chairperson's opening speech

Five. Matters to be reported:

Motion 1: The 2025 business report.

Motion 2: Audit Committee's review of the 2025 year-end report.

Motion3: Report on the share disposition of the Company's subsidiary, Acegreen Eco- Material Technology Co., Ltd., in connection with its proposed listing TPEx/Exchange).

Six. Ratification topics:

Motion 1: Present the 2025 year-end report for ratification. (Proposed by the board of directors)

Motion 2: Present the proposal to make up for 2025 losses for ratification. (Proposed by the board of directors)

Seven. Discussion topics:

Motion1: Proposal for distribution of cash from capital surplus.(Proposed by the Board of Directors)

Motion 2:Propose Amendments to the "Articles of Incorporation". (Proposed by the board of directors)

Eight. Extraordinary motions

Nine. Adjournment of meeting

One. Matters to be reported:

I. Summary:2025 business report.

Description: (I) 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, representing a decrease in profit of NT$135,074 thousand compared to the net profit of NT$16,042 thousand in 2024.

(II) For the 2025 business report, please refer to Attachment 1.
(Please refer to pp. 5-8 of the handbook)

(III) Please kindly find the attached report for your reference.

II. Summary:Audit Committee’s review of the 2025 year-end report.

Description: (I) The 2025 year-end report has been reviewed by the Audit Committee, and the Audit Committee’s audit report has been issued. Please refer to Attachment 2.
(Please refer to p. 9 of the handbook)

(II) Please kindly find the attached report for your reference.

Ⅲ. Summary:Report on the share disposition of the Company’s subsidiary, Acegreen Eco-Material Technology Co., Ltd., in connection with its proposed listing TPEx/Exchange).

Description: (I) For the status of the share disposition of the Company’s subsidiary, Acegreen Eco-Material Technology Co., Ltd., in connection with its proposed listing (TPEx/Exchange), please refer to Attachment 3. (Please refer to pp. 10-11 of the handbook)

(II) Please kindly find the attached report for your reference.

Two. Ratification topics:

I. Summary: Present the 2025 year-end report for ratification. (Proposed by the board of directors)

Description: (I) The Company’s parent-only financial report and consolidated financial report for 2025 have been audited by CPA Nian Jie Liao and CPA Ching-Yi Chen of EnWise CPAs & Co. We hereby attach the parent-only financial statements and consolidated financial statements together with the business report, and submit them to the Audit Committee for review. For the final record, please refer to Attachment 1 and 4
(Please refer to pp. 5-8 and pp. 12-36 of the handbook)

(II) The documents submitted require ratification.

Resolution:

II. Summary: Present the proposal to make up for 2025 losses for ratification. (Proposed by the board of directors)

Description: (I) The Company reported an after-tax net loss of NT$119,032 thousand for the year 2025. The accumulated deficit to be covered for this period amounts to NT$307,113 thousand. Below is the Company's deficit compensation statement for the year 2025.

Acelon Chemicals & Fiber
Deficit Compensation Statement
2025

Unit: NT$

Description	Amount
Beginning undistributed earnings	(186,335,557)
Less: Remeasurement effects of defined benefit plans (net)	(2,440,622)
Add: Reversal of special reserve released upon disposal of restricted assets.	695,399
Add: 2025 profit after tax (loss)	(119,032,006)
Total accumulated deficit to be covered for the current period	(307,112,786)
Earnings available for distribution in the current period	(186,335,557)
Items for deficit compensation:	
Add:1.Legal reserve	18,307,709
2. Special reserve (Note 1)	92,042,000
3. Capital surplus – difference between disposal price and carrying amount of subsidiary equity	174,135,902
4. Capital surplus – conversion of convertible bonds – expired subscription rights	22,627,175
Ending undistributed earnings	0

Chairman: Wen-Tung Chou　Managerial Officer: Wen-Tung Chou　Principal Accounting Officer: Mei-Ying Wu

Note 1: Pursuant to Financial-Supervisory-Securities-I Letter No. 0910128347 issued by the Ministry of Finance, where special reserve has been used to offset accumulated losses, in future years with profits, the deficiency in the special reserve shall first be made up before ar profit distribution may be made.

(II) For the year 2025, no employee or directors' remuneration will be distributed.

(III) The documents submitted require ratification.

Resolution:

Three. Disscussion:

I. Summary: Proposal for distribution of cash from capital surplus, submitted for resolution. (Proposed by the Board of Directors)

Description:

(I) The Company proposes, in accordance with Articles 241 and 240 of the Company Act, to distribute cash to shareholders from capital surplus arising from share premium in the amount of NT$22,231,464. A cash distribution of NT$0.2 per share will be made. The distribution shall be calculated based on the prescribed ratio and rounded down to the nearest dollar; any fractional amount less than one dollar shall be disregarded. The aggregate amount of such fractional distributions shall be recognized as the Company's other income.

(II) If, subsequently, the number of the Company's outstanding shares changes, resulting in an adjustment to the cash distribution rate to shareholders, the Board of Directors is authorized to handle such adjustments at its full discretion within the total amount of the aforesaid distribution.

(III) Upon approval by the shareholders' meeting, the Board of Directors is authorized to determine the relevant matters regarding the distribution.

(Ⅳ) Submit the motion for deliberation.

Resolution:

II. Summary: Propose Amendments to the "Articles of Incorporation". (Proposed by the board of directors)

Description:

(I) To meet the Company's operational development needs and future business planning, it is proposed to add and delete certain business items.

(II) Please refer to Attachment 5 for the comparison table of the relevant amended provisions. (Please refer to page37 of the handbook)

(Ⅲ) Submit the motion for deliberation.

Resolution:

Four. Extraordinary motions:

Five. Adjournment of meeting:

Acelon Chemicals & Fiber

One. 2025 business report

In 2025, the global economy continued to be affected by U.S. tariff policies, geopolitical tensions, and inflation volatility, resulting in an uncertain trade outlook. In addition, the recovery of the Chinese market remained slow, and overall end-market demand had yet to show a significant rebound. Both brand-side procurement decisions and consumer purchasing power remained conservative, and the global textile industry continued to face challenges in its recovery.

The Company's operating performance for the year was impacted by weakening industry demand, tariff adjustments, and exchange rate fluctuations, posing significant operational challenges. The management team will continue to adjust its product portfolio and market strategies in response to structural industry changes and evolving market conditions, laying a foundation for future growth.

For the year, the Company reported consolidated net operating revenue of NT$2,604,465 thousand, and net loss attributable to the owners of the parent company of NT$119,032 thousand. A brief report on the operating results for 2025 and the business plan for 2026 is set out below.

I. 2025 business report

(I) Operating Results: For the year 2025, Acelon reported consolidated net operating revenue of 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, representing a decrease in profit of NT$135,074 thousand compared to the net profit attributable to the owners of the parent company of NT$16,042 thousand in 2024. The basic earnings per share for 2025 was a loss of NT$1.07 per share.

(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		54.24	58.04	56.73	58.04	55.54
	Ratio of Long-term Capital to Property, Plant and Equipment		148.04	145.58	149.52	145.58	183.52
Profitability	Return on total assets (%)		5.58	(1.08)	(3.37)	1.31	(2.54)
	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)

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

Two. 2026 business plan overview

I. Business guidelines

Our excellent research and development team continuously develops high value-added products, and is committed to the commercialization of new products. In terms of marketing, we develop sales channels for high value-added products, and hope to connect with brand owners to expand our business, so as to increase market share and product profitability. In terms of production management, we promote production strategies which can achieve the goal of reducing costs and improving quality, and make sustainable operations our goal.

The business policies we have set out for 2026 are listed as follows:

(I) 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.

(II) 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.

(III) 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.

(IV) Management:

(1)Promote organizational review to optimize organizational structure and resource allocation

In line with the Company's operational development needs, a comprehensive review of the current organizational structure, job responsibilities, and manpower allocation will be conducted. Through organizational assessment and adjustment, resource allocation efficiency will be optimized, organizational flexibility and decision-making efficiency will be enhanced, and cross-functional collaboration mechanisms will be strengthened to respond to changes in the market environment.

(2) Promote process optimization to enhance administrative efficiency and management effectiveness

Key operational processes across the Company will be reviewed and evaluated. Through process simplification, standardization, and digitalization, operational complexity and communication costs will be reduced, while processing time will be shortened, thereby improving overall administrative support efficiency and operational effectiveness.

(3)Introduce AI applications and digital tools to enhance operational efficiency. In line with digital transformation trends, the Company will continue to promote the application of artificial intelligence (AI) tools in daily operations and management activities. With a focus on AI training courses and practical applications, employees' digital literacy and data utilization capabilities will be enhanced, thereby improving workflow efficiency and decision-making quality.

(4)Integrate administrative functions to strengthen management support systems

Through the integration of administrative functions and unified management mechanisms, resource utilization efficiency will be improved. A standardized operating framework and management processes will be established to strengthen support for business units and enhance overall organizational effectiveness.

(5)Strengthen human resources development to support organizational transformation

In alignment with organizational review and process optimization initiatives, the Company will continuously enhance talent development systems. Through digital learning platforms and AI-related training, employees' professional capabilities and cross-functional competencies will be strengthened, thereby enhancing organizational adaptability and execution capability to support the Company's long-term development.

(V) Research and development:

(1) High-performance materials and market-driven development

In response to market demand for small-volume, diversified, and high-performance products, the Company will continue to develop high value-added functional fibers, including phase change material (PCM) yarns and various functional yarn types, and strengthen market promotion through brand collaborations. In addition, in line with the de-Chinaization trend, the Company will actively expand into advanced materials required for defense and AI supply chains, such as flame-retardant composites, anti-static, and conductive yarns, in order to enhance product value and profitability.

(2) Sustainable materials and green manufacturing technologies

To comply with the European Union's Digital Product Passport (DPP) requirements regarding carbon footprint and recycled content, the Company will continue to invest in eco-friendly materials and process innovation. Key initiatives include the development of Lyocell eco-friendly fibers and their high-value applications (such as highly absorbent and antibacterial products), as well as the expansion of production and application of recycled cellulose materials.

(3) Process innovation and technological breakthroughs

To address existing process bottlenecks, the Company will develop new ionic liquid solvents to replace the conventional NMMO system, improving process stability, safety, and cost structure, while enhancing spinning efficiency. In addition, continuous optimization of Lyocell fiber extensibility will be carried out to improve downstream weaving and processing efficiency and broaden application scope.

(4) Circular economy and recyclable material development

In response to global environmental protection and resource circularity trends, the Company is actively developing recyclable mono-material products, such as elastic nylon yarns, to replace multi-material composites and improve recyclability. At the same time, recycling technologies for nylon waste and by-products will be promoted, combined with functional modification applications in high-end injection molding and cross-industry applications, thereby improving resource efficiency and product value.

II. Expected sales and its bases

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

(I) Develop new composite fiber products and increase proportion of value-added products to meet market demand.

(II) Set annual sales targets and accept suitable orders to achieve profitability.

(III) Coordinate production and sales and improve capacity to meet market demand and changes.

(IV) Reduce unplanned production and improve inventory control to meet the Company's target for inventory.

(V) Improve production quality and pre-sales and after-sales services, reduce unnecessary customer complaints and quickly handle issues to reduce losses.

(VI) Improve processes on credit checks and credit lines of customers to reduce the risk of abnormal bad debts.

Looking ahead, Acelon will continue to place innovation and sustainability at its core, further advancing the application of eco-friendly fibers and circular textile technologies. The Company aims to enhance its technological capabilities and build competitive advantages in green products to capture growth opportunities in the sustainable market.

Acelon will also actively develop diversified products and expand into new markets to steadily drive business growth. Through long-term strategic initiatives, the Company will continue to build corporate value and meet the expectations of the market and shareholders.

Chairman: Wen-Tung Chou  Managerial Officer: Wen-Tung Chou  Principal Accounting Officer: Mei-Ying Wu 

Audit Committee Report

We have reviewed the Company's 2025 business report, financial statements and earnings distribution proposal prepared by the board of directors. The financial statements have been audited by CPA Nian-Jie Liao and CPA Ching-Yi Chen of EnWise CPAs & Co., and an independent auditor's report has been issued. The business report, financial statements, and Deficit Compensation Statement have been reviewed and determined to be correct and accurate by the Audit Committee. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report for review.

For

Acelon Chemicals & Fiber Corporation 2026 Annual General Meeting

Acelon Chemicals & Fiber Co., Ltd.

Convener of Audit Committee: Shui-Chin Chen

March, 13, 2026

Attachment 3

Changes in the Company's shareholding ratio in its subsidiary planned for listing (TPEx/Exchange)

Acegreen Eco-Material Technology Co., Ltd. (Stock Code: 7862), hereinafter referred to as "Acegreen".

Date	2024/10/17	2025/08/21	2025/10/20
Purpose and method of share disposition:	To meet working capital requirements, a cash capital increase was conducted.	In line with Acegreen's public offering plan, existing shareholders disposed of shares.	The recommending securities firm for the Emerging Stock Board (ESB) subscribed on its own account and subsequently transferred the shareholdings.
Issue (Transfer) Price	NTD 10	NTD 45	NTD 45
Date of Audit Committee Approval of the Companyn	2024/08/09	2025/07/01	2025/08/08
Date of Board of Directors' Approval of the Company	2024/08/09	2025/07/01	2025/08/08
Transferee / Share Acquisition Counterparty	Employees and existing shareholders of Acegreen, employees of the Company, and specific persons approached within the scope of subscription rights waived by the aforesaid persons	Existing shareholders of Acelon and specific persons approached within the scope of subscription rights waived by existing shareholders	Lead and co-underwriting recommending securities firms
Total number of shares issued (transferred)	20,000,000 shares	4,000,000 shares	1,200,000 shares
Acelon's shareholding ratio before issuance (transfer)	100.00%	92.625%	82.625%

Date	2024/10/17	2025/08/21	2025/10/20
Acelon's shareholding ratio after issuance (transfer)	92.625%	82.625%	79.625%
Basis for share disposition pricing assessment	Fairness opinion issued by the independent auditor / CPA	Fairness opinion issued by the independent auditor / CPA	Mutually agreed upon by the recommended securities firm and Acegreen
Impact on the Company's shareholders' equity	No dilution or impairment of existing shareholders' interests	No dilution or impairment of existing shareholders' interests	No dilution or impairment of existing shareholders' interests

Attachment 4

Independent Auditor's Report

Acelon Chemicals & Fiber Co., Ltd.

Opinion

We have audited the accompanying parent-only balance sheets of Acelon Chemicals & Fiber Corporation as of December 31, 2025 and 2024, and the related parent-only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2025 and 2024, as well as the notes to the parent-only financial statements (including a summary of material accounting policies).

In our opinion, based on our audits and the reports of the other independent auditors, as described in the other matters section of our report, the parent-only financial statements present fairly, in all material respects, the standalone financial position of Acelon Chemicals & Fiber as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years ended December 31, 2025 and 2024, in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”.

Basis for Opinions

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing principles generally accepted. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Parent-Only Financial Statements section of our report. We are independent of Acelon Chemicals & Fiber in accordance with the Professional Ethics for Certified Public Accountant and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audit results and the audit reports of other accountants, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent-only financial statements of Acelon Chemicals & Fiber for the fiscal year 2025. These matters were addressed in the context of our audit of the parent-only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the parent-only financial statements of Acelon Chemicals & Fiber for the year ended December 31, 2025 are stated as follows:

I. Operating revenue recognized

The management level faces pressure on operational objectives, market scale and competition and asset impairment assessment on whether the revenue meets the operational objectives, and Acelon Chemicals & Fiber is in an industry susceptible to many factors such as market supply and demand, so they are all listed as key audit matters.

Our key audit procedures performed in response to the above matters are described as follows:

1. Test the effectiveness of the design and implementation of the internal control system for the sales and collection cycle, and assess whether the revenue recognition is appropriate.

2. Analyze the differences in two periods of sales to the top ten clients of Acelon Chemicals & Fiber, and assess the rationality.

3. Conduct the sales revenue transaction test for the top ten new sales customers in the current period, and verify whether the collection and reversal counterparties are consistent with the counterparties of the sales.

4. Analyze significant or unexpected changes and trends based on objective and independent data, compare sales revenue and returns in previous and current trends, cost of goods sold and gross profit in previous and current trends, and trends analysis of previous and current delivery volume.

5. Understand whether there is any material change in revenue during the period before and after the financial report date, and whether there is a material sales return or discount, and analyze the reasons.

II. Subsequent measurement of inventory

As of December 31, 2025, the net inventory of Acelon Chemicals & Fiber was NT$386,971 thousand. As the introduction of new products may lead to material changes in market demand, or that the updates in production technology may make the original products no longer meet the market demand, the management must assess the loss in net realisable value due to inventory write-off from inventory obsolescence. Since the amount of inventory is large, its obsolescence involves material judgments by the management, so it is listed as our one of our key audit matters.

Our key audit procedures performed in response to the above matters are described as follows:

1. Assess the internal control protocols of operating costs, check the transaction records and relevant source documents to determine the integrity of transaction records, the classification of inventory and operating costs, and reliability of inventory and records.

2. Spot check the purchase transaction records of the ending inventory, and test whether the unit price and calculation are correct.

3. Calculate the growth rates of inventory and cost of goods sold and compare them with the growth rate of operating income in the same period to see if the change trend is reasonable.

4. Check the reports related to the inventory age, analyze the changes in the inventory age, and assess whether the subsequent measurement of the inventory has been handled in accordance with its accounting policy.

5. Understand and assess the reasonableness of the net realisable value basis adopted by management.

III. Impairment of property, plant and equipment

Acelon Chemicals & Fiber mainly produces nylon yarns, polyester yarns, processed yarns and other related products. Due to market saturation after long-term development, the sales momentum is easily affected by the economy. The recoverability of the book value of such assets depends on the forecast of future operating cash flow, discount rate and growth rate. These require significant judgments by the management and have a high degree of uncertainty in estimation. Therefore, they are listed as our key audit matters.

Our key audit procedures performed in response to the above matters are described as follows:

1. Obtained the asset impairment assessment statement or projected income statement prepared by Acelon Chemicals & Fiber for the business units to which the cash-generating units belong.

2. Assess the rationality of the management of Acelon Chemicals & Fiber in identifying signs of impairment, as well as the assumptions and sensitivities used, including the appropriateness of cash-generating units differentiated, cash flow forecasts, and discount rates.

Other Matters – Making Reference to the Audits of Component Auditors

Among the investee companies included in the above-mentioned parent-only financial report, the financial statements of the invested affiliates have not been audited by us, but have been audited by other accountants. Therefore, in the opinions expressed by us on the abovementioned parent-only report, the amount listed in the financial statements of the invested affiliates is based on the audit report produced by other accountants. The balance of investments accounted for using equity method as of December 31, 2025 and 2024 was NT$49,132 thousand and NT$55,121 thousand, respectively, accounting for 1.8% and 2.1% of the total parent-only assets, respectively; the share of losses of associates recognized using the equity method from January to December 31, 2025 and 2024 was NT$(2,138) thousand and NT$(1,939) thousand, accounting for 1.7% and (24.8)% of the parent-only comprehensive income, respectively.

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

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

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

Those charged with governance, including the Audit Committee, are responsible for overseeing Acelon Chemicals & Fiber's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent-Only Financial Statements

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

taken on the basis of these parent-only financial statements.

As part of an audit in accordance with the auditing principles, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also conduct the following tasks:

1. Identify and assess the risks of material misstatement of the parent-only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the parent-only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause Acelon Chemicals & Fiber to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent-only financial statements, including the accompanying notes, and whether the parent-only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the invested associated using the equity method to express an opinion on the parent-only financial statements. We are responsible for the direction, supervision and performance of the audit for the invested associates. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent-only financial statements for the year ended December 31, 2025, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

EnWise CPAs & Co.
CPA: Nian-Jie Laio

EnWise CPAs & Co.
CPA: Ching-Yi Chen

Securities and Futures Bureau of Financial Supervisory Commission, Executive Yuan
Approval Document Number:
Jin-Guan-Zheng (102) 1020054253

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March 14, 2025

Notice to Readers

The accompanying standalone financial statements are intended only to present the standalone financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such standalone financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying standalone financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and standalone financial statements shall prevail.

Acelon Chemicals & Fiber Co., Ltd.

Parent-Only Balance Sheets

As of December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

Assets			December 31, 2025		December 31, 2024	
Code	Description	Note	Amount	%	Amount	%
11xx	Current assets					
1100	Cash and cash equivalents	4 and 6	$ 495,078	18.1	$ 86,133	3.3
1110	Financial assets at fair value through profit or loss	4 and 6	280	-	-	-
1150	Notes receivable, net	4, 6, 7 and 8	53,233	1.9	84,887	3.2
1170	Accounts receivable, net	4, 5, 6 and 7	272,715	10.0	316,298	12.0
1200	Other receivables	6 and 7	7,470	0.3	7,924	0.3
130x	Inventories	4, 5 and 6	386,971	14.1	510,727	19.3
1410	Prepayments		51,392	1.9	47,911	1.8
1476	Other financial assets - Current	4 and 8	63,240	2.3	66,615	2.5
1479	Other current assets - Others		4,987	0.2	1,751	0.1
11xx	Total Current Assets		1,335,366	48.8	1,122,246	42.5
15xx	Non-current assets					
1550	Investments accounted for using equity method	4 and 6	419,761	15.3	498,813	18.9
1600	Property, plant and equipment.	4, 5, 6 , 7 and 8	845,775	30.9	911,585	34.5
1755	Right-of-use assets	4 and 6	25,884	1.0	26,385	1.0
1780	Intangible assets	4 and 5	146	-	141	-
1840	Deferred tax assets	4, 5 and 6	54,539	2.0	44,796	1.7
1900	Other non-current assets	6	12,073	0.4	11,537	0.5
1980	Other financial assets - Non-current	4 and 8	43,934	1.6	23,337	0.9
15xx	Total Non-Current Assets		1,402,112	51.2	1,516,594	57.5
	Total assets		$ 2,737,478	100.0	$ 2,638,840	100.0

Liabilities and equity			December 31, 2025		December 31, 2024	
Code	Description	Note	Amount	%	Amount	%
21xx	Current liabilities					
2100	Current borrowings	6, 7 and 8	$ 6,461	0.2	$ 319,906	11.9
2130	Contract liability - Current	6	7,721	0.3	13,238	0.5
2150	Notes payable		1,995	0.1	567	-
2170	Accounts payable	7	210,226	7.7	215,387	8.2
2200	Other payables	6	98,275	3.6	109,182	4.1
2250	Provisions - Current	4 and 6	5,158	0.2	4,985	0.2
2280	Lease liabilities - Current	4 and 6	7,167	0.2	6,856	0.3
2322	Long-term borrowings, current portion	6, 7 and 8	10,843	0.4	27,763	1.0
2399	Other current liabilities - Others		447	-	415	-
21xx	Total Current Liabilities		348,293	12.7	691,299	26.2
25xx	Non-current liabilities					
2530	Bonds payable	6, 7 and 8	375,972	13.7	-	-
2540	Long-term borrowings	6, 7 and 8	438,956	16.1	459,563	17.4
2580	Lease liabilities - Non-current	4 and 6	18,751	0.7	19,523	0.8
2640	Net defined benefit liability, non-current	5 and 6	5,829	0.2	2,225	0.1
2645	Guarantee deposits received	7	3,432	0.1	3,444	0.1
25xx	Total Non-current Liabilities		842,940	30.8	484,755	18.4
	Total Liabilities		1,191,233	43.5	1,176,054	44.6
	Equity					
3100	Capital	6	1,111,573	42.1	1,111,573	42.1
3200	Capital surplus	6	640,355	23.4	431,573	16.4
3300	Retained earnings	6				
3310	Legal reserve		18,308	0.6	18,308	0.7
3320	Special reserve		92,042	3.4	92,737	3.5
3350	Unappropriated retained earnings (accumulated deficit)		(307,113)	(11.2)	(186,336)	(7.1)
3400	Others		(8,920)	(0.3)	(5,069)	(0.2)
	Total equity		1,546,245	56.5	1,462,786	55.4
	Total Liabilities and Equity		$ 2,737,478	100.0	$ 2,638,840	100.0

(Please refer to the attached Notes to the Parent-Only Financial Statements)

Chairman: Wen-Tung Chou Managerial Officer: Wen-Tung Chou Principal Accounting Officer: Mei-Ying Wu

Acelon Chemicals & Fiber Co., Ltd.

Parent-Only Statement of Comprehensive Income

January 1 to December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars) Earnings (loss) per share in dollars

Code	Description	Note	January 1 to December 31, 2025 Amount	%	January 1 to December 31, 2024 Amount	%
4000	Net revenue	4, 6 and 7	$ 1,893,500	100.0	$ 2,354,360	100.0
5110	Operating costs	6 and 7	1,862,561	98.3	2,195,738	93.3
5950	Gross profit (loss) from operations		30,939	1.7	158,622	6.7
	Operating expenses	7				
6100	Sales and marketing expenses		85,101	4.5	116,078	4.9
6200	Administrative expenses		56,782	3.0	43,047	1.9
6300	Research and development expenses		38,294	31,359	38,294	1.6
6000	Total operating expenses		173,242	9.2	197,419	8.4
6900	Net operating income (loss)		(142,303)	(7.5)	(38,797)	(1.7)
	Non-operating income and expenses					
7100	Interest income	7	3,306	0.2	1,400	0.1
7010	Other income	6 and 7	10,922	0.6	17,634	0.7
7020	Other benefits and losses	6	(13,984)	(0.8)	19,145	0.8
7050	Finance costs	4 and 6	(18,918)	(1.0)	(11,995)	(0.5)
7060	Share of the profit or loss of associates and joint ventures accounted for using the equity method	4 and 6	32,812	1.7	20,418	0.9
7000	Total non-operating income and expenses		14,138	0.7	46,602	2.0
7900	Profit before tax (net loss)		(128,165)	(6.8)	7,805	0.3
7950	Tax expense (income)	4 and 6	(9,133))	(0.5)	(8,237)	(0.4)
8200	Profit (loss)		(119,032)	(6.3)	16,042	0.7
	Other comprehensive income					
8310	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Gains (losses) on remeasurements of defined benefit plans		(3,050)	(0.1)	2,055	0.1
8349	Relevant income tax for items that will not be reclassified	6	610	-	(411)	-
8360	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translating foreign operations		(3,851)	(0.2)	1,110	-
8300	Other comprehensive income for the year (net)		(6,291)	(0.3)	2,754	0.1
8500	Total comprehensive income		$ (125,323)	(6.6)	$ 18,796	0.8
	Earnings per Share (loss):	6				
9750	Basic earnings per share (loss)		$ (1.07)	$ 0.14		
9850	Diluted earnings per share (loss)			$ (1.07)		$ 0.14

(Please refer to the attached Notes to the Parent-Only Financial Statements)

Chairman: Wen-Tung Chou Managerial Officer: Wen-Tung Chou Principal Accounting Officer: Mei-Ying Wu

Acelon Chemicals & Fiber Co., Ltd.

Parent-Only Statement of Changes in Equity

January 1 to December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

Description	Equity attributable to shareholders of the parent company						
			Retained earnings			Others	
	Ordinary share	Capital surplus	Statutory reserve	Special reserve	Undistributed earnings (accumulated deficit)	Exchange differences on translation	Total equity
Balance on January 1, 2024	$ 1,111,573	$ 431,153	$ 18,308	$ 92,737	$ (204,022)	$ (6,179)	$ 1,443,570
Changes in ownership interests in subsidiaries	—	420	—	—	—	—	420
2024 net income	—	—	—	—	16,042	—	16,042
2024 other comprehensive income	—	—	—	—	1,644	1,110	2,754
Balance on December 31, 2024	$ 1,111,573	$ 431,573	$ 18,308	$ 92,737	$ (186,336)	$ (5,069)	$ 1,462,786
Special Reserve Reversal	—	—	—	(695)	695	—	—
Convertible bonds with warrants	—	34,647	—	—	—	—	34,647
2025 net income	—	—	—	—	(119,032)	—	(119,032)
2025 other comprehensive income	—	—	—	—	(2,440)	(3,851)	(6,291)
Difference between consideration and carrying amount of subsidiaries acquired or dispose	—	174,135	—	—	—	—	174,135
Balance on December 31, 2025	$ 1,111,573	$ 640,355	$ 18,308	$ 92,042	$ (307,113)	$ (8,920)	$ 1,546,245

(Please refer to the attached Notes to the Parent-Only Financial Statements)

Chairman: Wen-Tung Chou Managerial Officer: Wen-Tung Chou Principal Accounting Officer: Mei-Ying Wu

Acelon Chemicals & Fiber Co., Ltd.

Parent-Only Statement of Cash Flows

January 1 to December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

Description	January 1 to December 31, 2025	January 1 to December 31, 2024
Cash flow from operating activities		
Profit (loss) before tax	$(128,165)	$ 7,805
Adjustments		
Adjustments to reconcile profit (loss) that do not affect cash flows		
Depreciation expense	94,685	96,066
Amortization expense	18,237	20,799
Interest expense	18,918	11,995
Interest income	(3,306)	(1,400)
Loss (gain) on financial assets at fair value through profit or loss , net	520	-
Share of the profit or loss of subsidiaries, associates and joint ventures accounted for using the equity method	(32,812)	(20,418)
Losses on disposals of property, plant and equipment (gains)	7	-
Losses on disposal of intangible assets (gains)	(557)	-
Othert	(13)	-
Total adjustments	95,679	107,042
Changes in operating activities assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	31,654	(19,021)
Decrease (increase) in accounts receivable	43,583	(30,749)
Decrease (increase) in other receivable	583	6,315
Decrease (increase) in inventories	123,756	57,575
Decrease (increase) in prepayments	(20,831)	(13,315)
Adjustments for decrease (increase) in other current assets	(3,210)	(359)
Total net change in assets related to operating activities	175,535	446
Changes in operating liabilities		
Increase (decrease) in notes payable	1,428	(2,568)
Increase (decrease) in accounts payable	(5,161)	(7,682)
Increase (decrease) in other payable	(2,699)	17,091
Adjustments for increase (decrease) in other current liabilities	32	(7,904)
Increase (decrease) in provisions	173	(639)
Contract liabilities - Current increase or decrease	(5,517)	9,110
Net defined benefit liability - Non-current increase or decrease	554	403
Total net movement in liabilities related to operating activities	(11,190)	7,811
Total net movement in operating activities assets and liabilities	164,345	8,257
Cash inflow (outflow) generated from operations	131,859	123,104
Interest received	3,177	1,642
Interest paid	(15,963)	(11,413)
Income tax refunded or paid	-	(1,699)
Net cash flows from (used in) operating activities	119,073	111,634

(To be continued in the next page)

Acelon Chemicals & Fiber Co., Ltd.

Parent-Only Statement of Cash Flows

January 1 to December 31, 2025 and 2024

(Continued from the previous page)

(In Thousands of New Taiwan Dollars)

Description	January 1 to December 31, 2025	January 1 to December 31, 2024
Cash flows from (used in) investing activities		
Acquisition of investments accounted for using equity method	-	(191,482)
Disposal of investments accounted for using equity method	233,003	-
Acquisition of property, plant and equipment	(29,740)	(38,861)
Acquisition of intangible assets	(892)	(402)
Disposal of property, plant and equipment	-	983
Disposal of intangible assets	29,487	-
Other financial assets - Current increase or decrease	3,375	-
Other financial assets - Non-current increase or decrease	(20,597)	(22,917)
Decrease (increase) in refundable deposits	(1,694)	6,100
Decrease (increase) in other non-current assets	1,158	2,391
Dividends received from subsidiaries	20,228	-
Net cash flows from (used in) investing activities	234,328	(238,034)
Cash flows from (used in) financing activities		
Increase (decrease) in short-term loans	(306,445)	(22,673)
Proceeds from issuance of bonds	405,154	-
Increase (decrease) in guarantee deposits received	(12)	-
Increase (decrease) in Long-term borrowings	(35,817)	140,461
Repayment of principal of lease liabilities	(7,336)	(7,163)
Net cash flows from (used in) financing activities	55,544	110,625
Increase (decrease) in cash and cash equivalents for the current period	408,945	(15,775)
Cash and cash equivalents at beginning of period	86,133	101,908
Cash and cash equivalents at end of period	$ 495,078	$ 86,133

(Please refer to the attached Notes to the Parent-Only Financial Statements)

Chairman: Wen-Tung Chou Managerial Officer: Wen-Tung Chou Principal Accounting Officer: Mei-Ying Wu

Independent Auditor's Report

Acelon Chemicals & Fiber Co., Ltd. and Subsidiaries:

Opinion

We have audited the accompanying consolidated balance sheets of Acelon Chemicals & Fiber Corporation as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2025 and 2024, as well as the notes to the consolidated financial statements (Incl. a summary of significant accounting policies).

In our opinion, based on our audits and the reports of other independent auditors (please refer to the Other Information), the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Acelon Chemicals & Fiber as of December 31, 2025 and 2024, and its financial performance and cash flows from January 1 to December 31, 2025 and 2024, in conformity with the requirements of the Regulations Governing the Preparation of Financial Statements by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, and Interpretations endorsed and issued into effect by the Financial Supervisory Commission.

Basis for Opinions

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing principles generally accepted. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of Acelon Chemicals & Fiber and its subsidiaries in accordance with the Professional Ethics for Certified Public Accountant and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audit results and the audit reports of other accountants, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of Acelon Chemicals & Fiber and its subsidiaries of fiscal year 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the consolidated financial statements of Acelon Chemicals & Fiber and its subsidiaries for the year ended December 31, 2025 are stated as follows:

I.Operating revenue recognized

The management level faces pressure on operational objectives, market scale and competition and asset impairment assessment on whether the revenue meets the operational objectives, and Acelon Chemicals & Fiber and its subsidiaries are in an industry susceptible to many factors such as market supply and demand, so they are all listed as key audit matters.

Our key audit procedures performed in response to the above matters are described as follows:

1. Test the effectiveness of the design and implementation of the internal control system for the sales and collection cycle, and assess whether the revenue recognition is appropriate.

2. Analyze the differences in two periods of sales to the top ten clients of Acelon Chemicals & Fiber and its subsidiaries, and assess the rationality.

3. Conduct the sales revenue transaction test for the top ten new sales customers in the current period, and verify whether the collection and reversal counterparties are consistent with the counterparties of the sales.

4. Analyze significant or unexpected changes and trends based on objective and independent data, compare sales revenue and returns in previous and current trends, cost of goods sold and gross profit in previous and current trends, and trends analysis of previous and current delivery volume.

5. Understand whether there is any material change in revenue during the period before and after the financial report date, and whether there is a material sales return or discount, and analyze the reasons.

II.Subsequent measurement of inventory

As of December 31, 2025, the net inventory of Acelon Chemicals & Fiber and its subsidiaries was NT$464,354 thousand. As introducing new products may lead to material changes in market demand, or the updates in production technology may make the original products no longer meet the market demand, the management must assess the loss in net realizable value due to inventory write-off from inventory obsolescence. Since the amount of inventory is large, its obsolescence involves material judgments by the management, so it is listed as one of our key audit matters.

Our key audit procedures performed in response to the above matters are described as

follows:

1. Assess the internal control protocols of operating costs, check the transaction records and relevant source documents to determine the integrity of transaction records, the classification of inventory and operating costs, and reliability of inventory and records.

2. Spot check the purchase transaction records of the ending inventory, and test whether the unit price and calculation are correct.

3. Calculate the growth rates of inventory and cost of goods sold and compare them with the growth rate of operating income in the same period to see if the change trend is reasonable.

4. Check the reports related to the inventory age, analyze the changes in the inventory age, and assess whether the subsequent measurement of the inventory has been handled in accordance with its accounting policy.

5. Understand and assess the reasonableness of the net realizable value basis adopted by management.

III.Impairment of property, plant and equipment

Acelon Chemicals & Fiber and its subsidiaries mainly produce nylon yarns, polyester yarns, processed yarns and other related products. Due to market saturation after long-term development, the sales momentum is easily affected by the economy. The recoverability of the book value of such assets depends on the forecast of future operating cash flow, discount rate and growth rate. These require significant judgments by the management and have a high degree of uncertainty in estimation. Therefore, they are listed as our key audit matters.

Our key audit procedures performed in response to the above matters are described as follows:

1. Obtained the asset impairment assessment statement or projected income statement prepared by Acelon Chemicals & Fiber and its subsidiaries for the business units to which the cash-generating units belong.

2. Assess the rationality of the management of Acelon Chemicals & Fiber and its subsidiaries in identifying signs of impairment, as well as the assumptions and sensitivities used, including the appropriateness of cash-generating units differentiated, cash flow forecasts, and discount rates.

3. We have obtained appraisal reports for part of the property from property appraisers, which will help the valuation of disposal of cash-generating units.

Other Matters – Making Reference to the Audits of Component Auditors

Among the investee companies included in the above-mentioned consolidated financial report, the financial statements of the invested affiliates have not been audited by us, but have been audited by other accountants. Therefore, in the opinions expressed by us on the abovementioned consolidated report, the amount listed in the financial statements of the invested affiliates is based on the audit report produced by other accountants. The balance of investments accounted for using equity method as of December 31, 2025 and 2024 was NT$49,132 thousand and NT$55,121 thousand, respectively, accounting for 1.3% and 1.6% of the total consolidated assets, respectively; the share of losses of associates recognized using the equity method from January 1 to December 31, 2025 and 2024 was NT$(2,138) thousand and NT$(1,939) thousand, accounting for 1.5% and(19.2)% of the consolidated comprehensive income, respectively.

Other matters

We have audited and expressed an unmodified opinion on the parent-only financial statements of Acelon Chemicals & Fiber as of and for the years ended December 31, 2025 and 2024.

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

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

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

Those charged with governance, including the Audit Committee, are responsible for overseeing Acelon Chemicals & Fiber and its subsidiaries' financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial

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

As part of an audit in accordance with the auditing principles, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also conduct the following tasks:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and its subsidiaries' internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may cast a significant doubt on the Company and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Acelon Chemicals & Fiber and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial

statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the invested associated using the equity method to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit for the invested associates. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

EnWise CPAs & Co.	EnWise CPAs & Co.
CPA: Nian-Jie Laio	CPA: Ching-Yi Chen
Securities and Futures Bureau of Financial Supervisory Commission, Executive Yuan	Securities and Futures Bureau of Financial Supervisory Commission, Executive Yuan
Approval Document Number: Jin-Guan-Zheng (102) 1020054253	Approval Document Number: (88) Tai-Tsai-Zheng (6) 55000

March 13, 2026

Notice to Readers

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For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

Acelon Chemicals & Fiber Co., Ltd. and Subsidiaries

Consolidated Balance Sheet

As of December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

Assets			December 31, 2025		December 31, 2024	
Code	Description	Note	Amount	%	Amount	%
11XX	Current assets					
1100	Cash and cash equivalents	4 and 6	$ 630,770	17.1	$ 198,420	5.7
1110	Financial assets at fair value through profit or loss	4 and 6	280	—	—	—
1150	Notes receivable, net	4, 6 and 8	55,644	1.5	87,662	2.5
1170	Accounts receivable, net	4, 5, and 6	344,892	9.4	375,825	10.9
1200	Other receivables	6	16,701	0.5	9,955	0.3
130x	Inventories	4, 5 and 6	464,354	12.6	641,487	18.6
1410	Prepayments		66,334	1.8	59,109	1.7
1476	Other financial assets - Current	4 and 8	73,277	2.0	80,698	2.3
1479	Other current assets - Others		5,150	0.1	1,919	0.1
11xx	Total Current Assets		1,657,402	45.0	1,455,075	42.1
15xx	Non-current assets					
1550	Investments accounted for using equity method	4 and 6	49,132	1.3	55,121	1.6
1600	Property, plant and equipment.	4, 5, 6 and 8	1,747,722	47.4	1,789,737	51.8
1755	Right-of-use assets	4 and 6	25,884	0.7	26,385	0.8
1780	Intangible assets	4 and 5	1,889	0.1	2,046	0.1
1840	Deferred tax assets	4, 5 and 6	113,653	3.1	86,454	2.5
1900	Other non-current assets	6	42,968	1.2	15,102	0.4
1980	Other financial assets - Non-current	4 and 8	43,934	1.2	23,337	0.7
15xx	Total Non-Current Assets		2,025,182	55	1,998,182	57.9
	Total assets		$ 3,682,584	100.0	$ 3,453,257	100.0

(To be continued)

(Continued from the previous page)

Acelon Chemicals & Fiber Co., Ltd. and Subsidiaries

Consolidated Balance Sheet

As of December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

Liabilities and equity			December 31, 2025		December 31, 2024	
Code	Description	Note	Amount	%	Amount	%
21XX	Current liabilities					
2100	Short-term borrowings	6, 7 and 8	$ 9,011	0.2	$ 312,906	9.1
2130	Contract liabilities - Current	6	13,559	0.4	30,694	0.9
2150	Notes payable		2,284	0.1	774	—
2170	Accounts payable		229,228	6.2	234,903	6.8
2200	Other payables	6	194,981	5.3	155,740	4.5
2230	Income tax payable	4 and 6	4	—	—	—
2250	Liability Provision - Current	4 and 6	7,455	0.2	7,184	0.2
2280	Lease liabilities - Current	4 and 6	7,167	0.2	6,856	0.2
2322	Long-term borrowings, current portion	6, 7 and 8	10,843	0.3	27,763	0.8
2399	Other current liabilities - Others		547	—	492	—
21xx	Total Current Liabilities		475,079	12.9	777,312	22.5
25XX	Non-current liabilities					
2530	Bonds payable	6, 7 and 8	375,972	10.2	—	—
2540	Long-term borrowings	6, 7 and 8	1,148,279	31.2	1,138,523	33.0
2570	Deferred tax liabilities	4 and 6	18,115	0.5	18,115	0.5
2580	Lease liabilities - Non-current	4 and 6	18,751	0.5	19,523	0.5
2640	Net defined benefit liability - Non-current	4, 5 and 6	5,829	0.1	2,226	0.1
2645	Guarantee deposits received		3,432	0.1	3,432	0.1
25xx	Total Non-current Liabilities		1,570,378	42.6	1,181,819	34.2
	Total Liabilities		2,045,457	55.5	1,959,131	56.7
31XX	Equity attributable to shareholders of the parent company					
3100	Capital	6	1,111,573	30.2	1,111,573	32.3
3200	Capital surplus	6	640,355	17.4	431,573	12.5
3300	Retained earnings	6				
3310	Legal reserve		18,308	0.5	18,308	0.6
3320	Special reserve		92,042	2.5	92,737	2.7
3350	Unappropriated retained earnings (accumulated deficit)		(307,113)	(8.3)	(186,336)	(5.4)
3400	Others		(8,920)	(0.3)	(5,069)	(0.1)
31xx	Total equity attributable to the parent company		1,546,245	42.0	1,462,786	42.4
36xx	Noncontrolling Interests	4 and 6	90,882	2.5	31,340	0.9
	Total equity		1,637,127	44.5	1,494,126	43.3
	Total Liabilities and Equity		$ 3,682,584	100.0	$ 3,453,257	100.0

(Please refer to the attached Notes to the Consolidated Financial Statements)

Chairman: Wen-Tung Chou Managerial Officer: Wen-Tung Chou Principal Accounting Officer: Mei-Ying Wu

Acelon Chemicals & Fiber Co., Ltd. and Subsidiaries

Consolidated Statement of Comprehensive Income

2025 and 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code	Description	Note	January 1 to December 31, 2025 Amount	%	January 1 to December 31, 2024 Amount	%
4000	Net revenue	4, 6 and 7	$ 2,604,465	100.0	$ 2,942,927	100.0
5110	Operating costs	6	2,428,821	93.2	2,645,601	89.9
5950	Gross profit from operations		175,644	6.8	297,326	10.1
	Operating expenses					
6100	Sales and marketing expenses		127,278	4.9	171,075	5.8
6200	Administrative expenses		92,151	3.5	74,564	2.5
6300	Research and development expenses		45,592	1.8	49,486	1.7
6450	Expected gain or loss on credit impairment	4 and 6	—	—	49	—
6000	Total operating expenses		265,021	10.2	295,174	10.0
6900	Net operating income (loss)		(89,377)	(3.4)	2,152	0.1
	Non-operating income and expenses					
7100	Interest income		4,027	0.1	2,169	0.1
7010	Other income	6	7,934	0.3	17,216	0.6
7020	Other benefits and losses	6	(31,595)	(1.2)	25,053	0.9
7050	Finance costs	4 and 6	(32,184)	(1.2)	(34,577)	(1.2)
7060	Share of the profit or loss of associates and joint ventures using the equity method	4 and 6	(2,138)	(0.1)	(1,939)	(0.1)
7000	Total non-operating income and expenses		(53,956)	(2.1)	7,922	0.3
7900	Profit before tax (net loss)		(143,333)	(5.5)	10,074	0.3
7950	Tax expense (income)	4 and 6	(26,585)	(1.0)	(7,329)	(0.3)
8200	Profit (loss)		(116,748)	(4.5)	17,403	0.6
	Other comprehensive income:					
8310	Items that will not be reclassified to profit or loss					
8311	Remeasurement of defined-benefit plans		(3,050)	(0.1)	2,055	0.1
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		610	—	(411)	—
8360	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences arising on translation of foreign operations		(3,851)	(0.1	1,110	—
8300	Other comprehensive income for the year (net)		(6,291)	(0.2)	2,754	0.1
8500	Total comprehensive income		(123,039)	(4.7)	20,157	0.7
8600	Net Income (Losses) Attributable to:					
8610	Shareholders of the Parent		(119,032)	(4.6)	16,042	0.5
8620	Noncontrolling Interests		2,284	0.1	1,361	0.1
			(116,748)	(4.5)	17,403	0.6
8700	Comprehensive Income (Losses) Attributable to:					
8710	Shareholders of the Parent		(125,323)	(4.8)	18,796	0.6
8720	Noncontrolling Interests		2,284	0.1	1,361	0.1
			(123,039)	(4.7)	20,157	0.7
	Earnings per Share (loss):	4 and 6				
9750	Basic earnings per share (loss)		$	(1.07)	$	0.14
9850	Diluted earnings per share (loss)		$	(1.07)	$	0.14

(Please refer to the attached Notes to the Consolidated Financial Statements)

Chairman: Wen-Tung Chou Managerial Officer: Wen-Tung Chou Principal Accounting Officer: Mei-Ying Wu

Acelon Chemicals & Fiber Co., Ltd. and Subsidiaries

Consolidated Statement of Changes in Equity

January 1 to December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

Description	Equity attributable to shareholders of the parent company							Noncontrolling Interests	Total equity
			Retained earnings			Others			
	Ordinary share	Capital surplus	Statutory reserve	Special reserve	Undistributed earnings (accumulated deficit)	Exchange differences on translation	Total		
Balance on January 1, 2024	$ 1,111,573	$ 431,153	$ 18,308	$ 92,737	$ (204,022)	$ (6,179)	$ 1,443,570	$ —	$ 1,443,570
Changes in ownership interests in subsidiaries	—	420	—	—	—	—	420	479	899
2024 net income	—	—	—	—	16,042	—	16,042	1,361	17,403
2024 other comprehensive income	—	—	—	—	1,644	1,110	2,754	—	2,754
Changes in non-controlling interests	—	—	—	—	—	—	—	29,500	29,500
Balance on December 31, 2024	$ 1,111,573	$ 431,573	$ $18,308	$ 92,737	$ (186,336)	$ (5,069)	$ 1,462,786	$ 31,340	$ 1,494,126
Special Reserve Reversal	—	—	—	(695)	695	—	—	—	—
Convertible bonds with warrants	—	34,647	—	—	—	—	34,647	—	34,647
2025 net income	—	—	—	—	(119,032)	—	(119,032)	2,284	(116,748)
2025 other comprehensive income	—	—	—	—	(2,440)	(3,851)	(6,291)	—	(6,291)
Difference between consideration and carrying amount of subsidiaries acquired or dispose	—	174,135	—	—	—	—	174,135	—	174,135
Changes in ownership interests in subsidiaries (Cash Dividend)	—	—	—	—	—	—	—	(1,610)	(1,610)
Changes in non-controlling interests	—	—	—	—	—	—	—	58,868	58,868
Balance on December 31, 2025	$ 1,111,573	$ 640,355	$ $18,308	$ 92,042	$ (307,113)	$ (8,920)	$ 1,546,245	$ 90,882	$ 1,637,127

(Please refer to the attached Notes to the Consolidated Financial Statements)

Chairman: Wen-Tung Chou　　Managerial Officer: Wen-Tung Chou　　Principal Accounting Officer: Mei-Ying Wu

Acelon Chemicals & Fiber Co., Ltd. and Subsidiaries

Consolidated Cash Flow Statement

January 1 to December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

Description	January 1 to December 31, 2025	January 1 to December 31, 2024
Cash flow from operating activities:		
Profit (loss) before tax	$ (143,333)	$ 10,074
Adjustments:		
Adjustments to reconcile profit (loss) that do not affect cash flows		
Depreciation expense	193,392	185,994
Amortization expense	22,109	22,554
Expected credit losses (gains) recognized	—	49
Finance costs	32,184	34,577
Interest income	(4,027)	(2,169)
Impairment loss on non-financial assets	10,628	—
Other Loss (gain)	13	—
Loss (gain) on financial assets at fair value through profit or loss , net	520	—
Loss (gain) on disposal of financial assets at fair value through profit or loss	—	(3,361)
Share-based payments	—	899
Loss (gain) on disposals of property, plant and equipment	8	—
Share of the profit or loss of associates and joint ventures using the equity method	2,138	1,939
Total adjustments	256,965	240,482
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	32,018	(17,304)
Decrease (increase) in accounts receivable	30,933	(56,279)
Decrease (increase) in other receivable	(6,617)	4,205
Decrease (increase) in inventories	177,133	62,974
Decrease (increase) in prepayments	(27,901)	(6,828)
Adjustments for decrease (increase) in other current assets	(3,231)	(246)
Total changes in operating assets	202,335	(13,478)
Changes in operating liabilities		
Contract liabilities - Current increase or decrease	(17,135)	13,010
Increase (decrease) in notes payable	1,510	(2,719)
Increase (decrease) in accounts payable	(5,675)	(14,782)
Increase (decrease) in other payable	7,640	24,736
Provisions - Current increase or decrease	271	364
Adjustments for increase (decrease) in other current liabilities	55	(8,402)
Net defined benefit liability - Non-current increase or decrease	553	404
Total changes in operating liabilities	(12,781)	12,611
Total changes in operating assets and liabilities	189,554	(867)
Cash inflow (outflow) generated from operations	303,186	249,689
Interest received	3,898	2,411
Interest paid	(28,866)	(31,269)
Income tax refunded or paid	—	(1,698)
Net cash flows from (used in) operating activities	278,218	219,133

(Continued from the previous page)

Acelon Chemicals & Fiber Co., Ltd. and Subsidiaries

Consolidated Cash Flow Statement

January 1 to December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

Description	January 1 to December 31, 2025	January 1 to December 31, 2024
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using equity method	$ —	$ (981)
Disposal of non-current financial assets at fair value through profit or loss	—	4,275
Acquisition of property, plant and equipment	(120,036)	(160,180)
Decrease (increase) in refundable deposits	(1,744)	6,120
Acquisition of intangible assets	(892)	(402)
Other financial assets -- Current increase or decrease	7,421	(5,355)
Other financial assets – Non-current increase or decrease	(20,597)	(22,917)
Decrease (increase) in other non-current assets	(26,519)	1,096
Net cash flows from (used in) investing activities	(165,367)	(178,344)
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	(303,895)	(22,693)
Proceeds from issuance of bonds	405,154	—
Increase (decrease) in Long-term borrowings	(5,817)	(29,539)
Increase or decrease in principal of lease liabilities	(7,336)	(7,163)
Increase or decrease in changes in non-controlling interests	(1,610)	29,500
Disposal of ownership interests in subsidiaries (without losing control)	233,003	—
Net cash flows from (used in) financing activities	319,499	(29,895)
Increase (decrease) in cash and cash equivalents for the current period	432,350	10,894
Cash and cash equivalents at beginning of period	198,420	187,526
Cash and cash equivalents at end of period	$ 630,770	$ 198,420

(Please refer to the attached Notes to the Consolidated Financial Statements)

Chairman: Wen-Tung Chou Managerial Officer: Wen-Tung Chou Principal Accounting Officer: Mei-Ying Wu

Acelon Chemicals & Fiber Co., Ltd

Comparison Table of Amended Provisions of the 〝Articles of Incorporation〞

After Amendment	Before Amendment	Explanation
Article 2: The Company is engaged in the following business activities: 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. F104110 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories 07. F105050 Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures 08. F204110 Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories 09. F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures 10. C306010 Wearing apparel 11. C307010 Clothing Accessories 12. C801120 Manufacture of Man-made Fibers 13. CH01010 Sporting goods manufacturing 14. CI01020 Rug and Felt Manufacturing 15. CJ01010 Hat Manufacturing 16. CK01010 Footwear Manufacturing 17. CL01010 Umbrella Manufacturing 18. F120010 Wholesale of Refractory Materials 19. F212050 Retail Sale of Petroleum Products 20. F217010 Retail Sale of Fire Safety	**Article 2:** The Company is engaged in the following business activities: 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. ~~C101020 Growing of Crops~~ 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 Sale of Furniture, Bedding Kitchen Utensils and Fixtures 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	Due to adjustments in the Company's operational strategy, certain business items have been added and removed, and the item numbering has been revised. (Items 6 to 25 and Item 33 after amendment reflect renumbering adjustments.) (Items 26 to 32 after amendment are newly added in this revision.)

Equipment 21. F220010 Retail Sale of Refractory Materials 22. F399990 Retail sale of Other Integrated 23. F401010 International Trade 24. I101110 Textile Consulting 25. D101060 Self-usage power generation equipment utilizing renewable energy industry 26. F107200 Wholesale of Chemical Raw Materials 27. C805050 Manufacture of Industrial Plastic Products 28. C805070 Manufacture of Reinforced Plastic Products 29. C805990 Manufacture of Other Plastic Products 30. C801100 Manufacture of Synthetic Resins and Plastics 31. C802990 Manufacture of Other Chemical Products 32. C901990 Manufacture of Other Non-metallic Mineral Products 33. ZZ99999 Businesses not prohibited or restricted by law, except those requiring special approval	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	
Article 22: This Articles of Incorporation was established on July 19, 1988, with the first amendment on February 24, 1989, the second amendment on July 12, 1989, ... **and the thirty-sixth amendment on June 16, 2026.**	**Article 22:** This Articles of Incorporation was established on July 19, 1988, with the first amendment on February 24, 1989, the second amendment on July 12, 1989, ... and the thirty-fifth amendment on June 17, 2025.	Newly Revised Date

Appendix 1

Acelon Chemicals & Fiber Co., Ltd.

Articles of Incorporation

Chapter 1. General Provisions

Article 1: The Company is organized in accordance with the provisions of the Company Act and is named 聚隆纖維股份有限公司 and Acelon Chemicals & Fiber Corporation in English.

Article 2: The Company is engaged in the following business activities:

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. A101020 Growing of Crops
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 Sale of Furniture, Bedding Kitchen Utensils and Fixtures
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

Article 2-1: (Deleted)

Article 3: The Company is headquartered in Changhua County, Taiwan, and may establish local and foreign branches as deemed necessary, subject to the board of directors' resolution.

Article 3-1: The Company may provide external endorsement due to the needs of the business activities covered in Article 2.

Article 3-2: If the Company serves as a limited liability shareholder of another company, the total amount of such external investment is not subject to the 40% limit rule of the Company's paid-in capital as specified in Article 13 of the Company Act, provided that it is approved by the board.

Article 4: Public announcements of the Company shall be made in accordance with the provisions of Article 28 of the Company Act.

Chapter 2. Shares

Article 5: The Company has an authorized capital of 3 billion New Taiwan Dollars in three hundred million shares. Each share has a face value of ten New Taiwan Dollars. The board of directors is authorized to raise share capital in multiple issues.

Article 6: The share certificates of the Company are all name-bearing, and signed or stamp-sealed by directors representing the Company, and are issued upon the authentication by the bank permitted by law to serve as the registrar for the issuance of stocks. The Company may be exempted from printing actual stock certificates once the shares are issued to the public. However, they shall be registered with the Taiwan Depository and Clearing Corporation.

Article 7: Changes in the shareholder register cannot be made within 60 days prior to shareholder general meetings, 30 days prior to extraordinary meetings or 5 days before the Company's decision on dividend or bonus distribution or other ex dates.

Chapter 3. Shareholder Meetings

Article 8: Meetings of shareholders include the annual general meeting of shareholders (AGM) and the extraordinary general meeting of shareholders (EGM). The former shall be convened at least once a year within six (6) months after the end of each accounting year; and the latter shall be convened by law where necessary. Proceedings of shareholder meetings shall be conducted in accordance with the Company's "Rules of Procedures for Shareholders Meetings".

Article 8-1: Shareholder meetings may be held by teleconferencing or other means announced by the Ministry of Economic Affairs.

Article 9: Shareholders who are unable to attend the shareholder meeting may issue a proxy form stating the scope of their authorization in accordance with Article 177 of the Company Act to entrust their proxy with the meeting attendance and shall comply with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies promulgated by the securities authority.

Article 10: Each share represents one vote unless it is restricted or does not have the voting rights as specified by the Company Act.

Article 11: Unless otherwise regulated by relevant laws, a shareholder meeting resolution is passed when more than 50% of all outstanding shares are represented in the meeting, and voted in favor by more than 50% of all voting rights represented at the meeting.

Article 11-1: If the shareholder meeting is convened by the board, the meeting will be chaired by the chairman in accordance with Paragraph 3, Article 208 of the Company Act. For a meeting that is convened by those with the convening authority outside of the board, the meeting should be chaired by the ones with convening authority.

Article 11-2: Shareholder meeting resolutions shall be compiled into detailed meeting minutes, and relevant matters are subject to Article 183 of the Company Act.
Meeting minutes may also be disseminated by way of public announcements.

Chapter 4. Directors and Audit Committee

Article 12: The Company has seven to eleven seats of directors who are elected based on their capacity to act. The term of service is three years, and they can be re-elected to continue their service. However, the total number of registered shares held by all directors shall not be less than a certain percentage of the company's total issued shares, and the percentage of shares in the preceding paragraph shall be determined in accordance with the regulations of the competent authority.

There should be at least 3 independent directors among the abovementioned directors, accounting for no less than 1/5 of the board seats.

The election of directors (including independent directors) has adopted the candidate nomination approach, in which shareholders make their election choices from the list of candidates. The professional qualifications, shareholding, part-time restrictions, determination of independence, nominations and other rules to be followed regarding the election of independent directors shall be handled in accordance with laws and regulations of the securities authority. The election of independent and non-independent directors should be held together, and the number of people elected is counted separately.

Article 13: Directors constitute the board of directors. The board may set up various functional committees to exercise the powers of directors, and directors elect one person among themselves as the chairman in accordance with Article 208 of the Compact Act. The chairman internally presides shareholder meetings and the board of directors, and externally represents the company. If the chairman asks for leave or fails to exercise rights and responsibilities for any reason, a representative shall be assigned in accordance with the provisions of Article 208 of the Company Act.

Article 13-1: If the board loses more than one-third of its directors, the board of directors shall convene an extraordinary general meeting within 60 days to elect new members for the shortfall. In which case, the newly elected members shall serve the remaining term of the existing board.

Article 13-2: The Company establishes an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The audit committee shall be composed of all independent directors and shall not be less than three persons. One of them shall be the convener, and at least one shall have accounting or financial expertise. The performance of their functions shall be determined by the Securities and Exchange Act and the relevant laws and regulations.

Article 14: The functions and powers of the board of directors are as follows:

I. Proposal to amend the Company's articles of incorporation.

II. The establishment and abolition of branches.

III. Approval of the annual budget, review of the annual final accounts and review and supervision of the implementation of the annual business plan.

IV. Proposal for the distribution of surplus or make-up for the loss.

V. Approval of the Company's reinvestment in other businesses or transfer of shares.

VI. The selection and dismissal of the Company's certified public accountant shall be decided by the board of directors; technical, operational and management consultants and lawyers shall be selected and dismissed by the chairman authorized by the board of directors.

VII. Proposal to transfer, sell, lease, pledge, mortgage or dispose of all or major parts of the Company's property.

VIII. If the Company applies to a financial institution or a third party for financing, guarantee, acceptance, or any other credit and debt financing, the amount more than NT$50 million (inclusive) shall require the board's approval. If the amount is less than NT$50 million, it shall be reported in the next most recent board meeting for review.

IX. Capital expenditures exceeding NT$100 million (inclusive) shall be subject to the board's approval. If the amount is less than NT$100 million, it shall be reported in the next most recent board meeting for review.

X. The acts of endorsement, guarantee and acceptance in the Company's name with an amount more than NT$50 million shall require the board's approval. If the amount is less than NT$50 million, it shall be reported in the next most recent board meeting for review.

XI. Approval of significant transactions between the Company and its related parties.

XII. The acquisition, assignment, grant and lease of know-how and patent rights, and the approval, revision and termination of technical collaboration contracts.

XIII. For the approval of important contracts or major issues, the board of directors shall convene meetings once a quarter and convene extraordinary meetings when necessary. The convening of the board shall be handled in accordance with Article 203 of the Company Act.

XIV. 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 standards among the 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.

Article 15: A notice of the reasons for convening a board meeting shall be given to each director at least 7 days before the meeting is convened. However, in the event of an emergency, a board meeting may be called on short notice. The notice of the convening of the board meeting can be made in writing, e-mail or fax.

Board meetings shall be conducted in accordance with the Company's "Board Meeting Rules of Procedures". Directors who are unable to attend the meetings may issue a proxy form to appoint another director to attend the meeting. One director may accept only one proxy form.

Chapter 5. Managerial Officers and Employees

Article 16: 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."

Article 17: (Deleted).

Chapter 6. Accounting

Article 18: The remuneration of the Company's directors, managerial officers and other employees shall be paid regardless of whether the Company is profitable for the year. The Company shall purchase liability insurance policies for directors.

Article 19: The Company shall, at the end of each fiscal year, have the board prepare (I) Business report, (II) Financial statements, (III) Proposals for earnings distribution or set off of losses and other documents and submit them to the annual general meeting and request for the ratification of the reports at the meeting.

Article 19-1: 3-5% of the profit of the current year is distributable as employee remuneration 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 bonus may be paid in stock or cash, and director bonus can only be paid in cash.

Of the employee compensation amount specified in the preceding paragraph, no less than 50% shall be allocated for distribution to grassroots employees.

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.

Article 20: The surplus income of the Company after the annual final accounts is distributed to the following accounts in their respective order:

I. Withholding taxes.

II. Make up for past losses.

III. Allocated 10% as legal reserve. If the legal reserve has reached the total share capital, no further allocations will be conducted.

IV. Allocated or reversed special reserve.

V. The surplus is added to the accumulated undistributed earnings of the previous year to become the earnings available for distribution. The board reserves part of the earnings to meet the need of business operations, and then drafts a distribution proposal. The allocation in the form of issuing new shares should be proposed to the shareholder meeting for resolution. Pursuant to Paragraph 5, Article 240 of the Company Act, the Company may authorize the board of directors to distribute dividends, profit-sharing, legal reserve and capital reserve (subject to compliance with Article 241 of The Company Act) wholly or partially in cash. Such decisions must be approved in a board meeting with at least two-thirds of directors present and supported by more than half of attending directors, and reported during a shareholder meeting afterwards.

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 set the actual distribution percentage in accordance with the Company's capital status and capital budget situation.

Chapter 7. Supplementary Articles

Article 21: Any outstanding issues not specified in the Articles of Incorporation are to be handled in accordance with the Company Act and the relevant regulations.

Article 22: The Articles of Incorporation was formulated on July 19, 1988.

The 1st amendment was made on February 24, 1989.

The 2nd amendment was made on July 12, 1989.

The 3rd amendment was made on February 13, 1990.

The 3rd amendment was made on February 13, 1990.

The 4th amendment was made on November 9, 1990.

The 5th amendment was made on May 26, 1991.
The 6th amendment was made on November 16, 1991.
The 7th amendment was made on April 15, 1992.
The 8th amendment was made on May 26, 1992.
The 9th amendment was made on May 16, 1993.
The 10th amendment was made on May 11, 1994.
The 11th amendment was made on April 7, 1995.
The 12th amendment was made on April 9, 1996.
The 13th amendment was made on April 18, 1997.
The 14th amendment was made on January 6, 1998.
The 15th amendment was made on May 2, 1998.
The 16th amendment was made on August 25, 2000.
The 17th amendment was made on June 20, 2001.
The 18th amendment was made on June 28, 2002.
The 19th amendment was made on June 18, 2003.
The 20th amendment was made on June 10, 2005.
The 21st amendment was made on June 13, 2006.
The 22nd amendment was made on June 22, 2007.
The 23rd amendment was made on June 5, 2008.
The 24th amendment was made on June 25, 2010.
The 25th amendment was made on May 18, 2011.
The 26th amendment was made on May 3, 2012.
The 27th amendment was made on May 30, 2014.
The 28th amendment was made on May 25, 2015.
The 29th amendment was made on May 27, 2016.
The 30th amendment was made on June 20, 2017.
The 31st amendment was made on December 19, 2018.
The 32nd amendment was made on June 28, 2019.
The 33rd amendment was made on August 20, 2021.
The 34th amendment was made on June 29, 2022.
The 35th amendment was made on June 17, 2025.

Acelon Chemicals & Fiber Co., Ltd.

Procedures for Endorsements and Guarantees (B-0 Edition)

Article 1 Purpose of establishment and basis

In order to manage endorsement and guarantee matters and comply with laws and regulations (Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies). Any outstanding issues not specified in the Procedures are to be handled in accordance with the relevant laws and regulations.

Article 2 Definition

The term “endorsement and guarantee” used in the Procedures refer to the following matters:

1. Financing endorsements and guarantees: Including
   a. Bill discount financing.
   b. Endorsement or guarantee made to meet the financing needs of another company.
   c. Issuance of a separate negotiable instrument to a non-financial enterprise as security to meet the financing needs of the Company itself.
2. Customs duty endorsement/guarantee: Meaning an endorsement or guarantee for the company itself or another company with respect to customs duty matters.
3. Other endorsements/guarantees: Meaning endorsements or guarantees beyond the scope of the above two subparagraphs.
4. Any creation by the Company of a pledge or mortgage on its chattel or real property as security for the loans of another company shall also comply with these Procedures.
5. Subsidiary and parent company referred to in the Procedures are defined in accordance with provisions of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
6. The term “shareholders' equity” as mentioned in the Procedures refers to the balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
7. The term “public announcement and regulatory filing procedures” as mentioned in the Procedures refer to inputting information to the information report website designated by the Financial Supervisory Commission. The date of occurrence refers to the earliest of the contract signing date, payment date, board of directors' resolution date or any other dates when the party to which the endorsements and guarantees are given and the amount can be verified with certainty.
8. “All members of the Audit Committee” refers to those who are incumbent.
9. “All board members” refers to the directors who are incumbent.

Article 3 Party being endorsed/guaranteed

The counterparties of the Company's endorsement and guarantee are subsidiaries of which the Company directly or indirectly holds more than 50% of the voting shares.

Article 4 Endorsement and guarantee ceilings

1. The total guaranteed amount of the Company's endorsement is capped at 100% of the shareholders' equity in the latest financial statements. However, for the subsidiaries of

which the Company directly or indirectly holds 100% voting rights, the total amount of guarantees for endorsement is capped at 120% of the Company's net worth.

2. The guaranteed amount of the Company's endorsement for a single enterprise is capped at 80% of the shareholders' equity in the latest financial statements. However, for the subsidiaries of which the Company directly or indirectly holds 100% voting rights, the total amount of guarantees for endorsement is capped at 120% of the Company's net worth.
3. The total guaranteed amount of the endorsement offered by the Company and subsidiaries as a whole is capped at 100% of the shareholders' equity in the latest financial statements. However, for the subsidiaries of which the Company directly or indirectly holds 100% voting rights, the total amount of guarantees for endorsement is capped at 120% of the Company's net worth.
4. The total guaranteed amount of the endorsement offered by the Company and subsidiaries as a whole for a single enterprise is capped at 80% of the shareholders' equity in the latest financial statements. However, for the subsidiaries of which the Company directly or indirectly holds 100% voting rights, the total amount of guarantees for endorsement is capped at 120% of the Company's net worth.

The abovementioned amount of endorsement guarantees exceeding the shareholders' equity of the Company by 50% is subject to the provisions of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies. When submitting the Procedures to the shareholder meeting for approval, the necessity and rationality of the amount of endorsement guarantee must be explained.

Article 5 Procedures for processing and reviewing endorsement and guarantee

The company applying for endorsement and guarantee should submit its basic information and the latest financial statements, detailing the purpose of applying for endorsement and guarantee and the status of collateral provided or other information in writing, to the Finance Section of the company for review and processing.

After accepting the application, the Finance Section should convene meetings of relevant departments to review and assess whether the application complies with the provisions of the Procedures, and assess the business, financial condition, solvency, profitability and purpose of endorsement and guarantee, and produce an assessment report summarizing the opinions of relevant departments. The content of the report should at least include:

1. Necessity and rationality of endorsement and guarantee.
2. Credit survey and risk assessment of endorsement/guarantee counterparty.
3. The impact on the Company's operational risks, financial condition and shareholders' equity.
4. Determine whether collateral is needed and the appraise the value of the collateral.

Before the Company endorses or provides a guarantee to the counterparty, the Finance Section should submit the aforementioned assessment report, including the initial draft of the contract, results of risk assessment and other information, to the Audit Committee for approval, and then reports them to the board for resolution.

With respect to the preceding paragraph, if these procedures are not passed by the consent of more than half of all members of the Audit Committee, then the approval by more than two-thirds of all directors must be obtained, and the resolution of the Audit Committee must be stated in the minutes of the board meeting.

With respect to the cancellation of endorsement and guarantee, the Finance Section should notify the accounting and other relevant departments before the expiration of the endorsement and guarantee, and specify the conditions and date of the cancellation and other necessary matters, which will be subject to the President's approval and then be reported at board meetings.

Article 6 Use and safekeeping of company seals

The company shall use the company chop registered with the Ministry of Economic Affairs as the dedicated chop for endorsements/guarantees. The chop shall be kept in the custody of a designated person and may be used to seal or issue invoices in accordance with the Company's regulations.

When conducting endorsement and guarantee for foreign subsidiaries, the letter of guarantee issued by the Company shall be signed by a person who has been authorized by the board to sign the letter.

Article 7 Public announcement and regulatory filing procedures

Before the 10th of each month, the Company shall announce and file the balance of the endorsement guarantee of the Company and its subsidiaries in the previous month.

When the Company's endorsements and guarantees meet one of the following criteria, it shall announce and file such event within two days from the date of occurrence:

1. The balance of endorsements and guarantees from the Company and the subsidiaries reaches 50% or more of the Company's shareholders' equity as stated in the latest financial statements.
2. The balance of endorsements and guarantees from the Company and the subsidiaries to a single enterprise reaches 20% or more of the Company's shareholders' equity stated in its latest financial statements.
3. The amount of endorsements and guarantees from the Company and its subsidiaries to a single enterprise reaches NT$10 million or more, and the total of the carrying amount of investment by the equity method and the balance of lending to others reaches 30% or more of the Company's shareholders’ equity stated in the latest financial statements.
4. The amount of newly added endorsements and guarantees from the Company and subsidiaries reaches NT$30 million and 5% or more of the Company's shareholders’ equity stated in the latest financial statements.

If the Company's subsidiaries are not domestic listed companies and meet the fourth criteria mentioned above, the Company shall announce and report on behalf of the subsidiaries.

Article 8 Internal control

The Finance Section tracks the financial, business and credit status of the counterparty of the endorsement and guarantee; if necessary, it may ask the counterparty to provide financial information from time to time. In case any collateral is furnished, the value of the collateral should be checked for any changes. In case of material change in the collateral value, the chairman shall be notified immediately to offer appropriate instructions.

The Finance Section shall maintain a transaction log that details the endorsement counterparty, amount, the date of board's approval, date of endorsement and guarantee and other matters to be carefully assessed in accordance with provisions of Article 5.

If, due to changes in circumstances, the counterparty for which endorsements and guarantees are made does not meet the requirements of the Procedures, or the amount exceeds the ceilings, an improvement plan should be formulated and then submitted to both the Audit Committee and independent directors, and the improvements should be completed based on the plan schedule.

The Company's Internal Audit Section shall audit the procedures of endorsements and guarantees and document the implementation at least on a quarterly basis. If material violations are found, they shall immediately notify the Audit Committee in writing.

Article 9 Disclosure of endorsement guarantee loss

The Company shall assess or recognize the contingent loss of the endorsement and guarantee in accordance with the provisions of the financial accounting standards, and shall appropriately disclose relevant information in its financial reports and provide certified public accountants with relevant information for implementation of necessary auditing procedures.

Article 10 Procedures for controlling endorsements and guarantees by subsidiaries

1. Subsidiaries of the Company shall also establish their procedures for endorsements and guarantees in accordance with the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, which shall be approved by the board before being reported to the shareholder meeting for approval and then filed by the Company. The same applies to all subsequent revisions.
2. Subsidiaries shall follow the endorsement guarantee procedures they formulate.
3. Endorsements and guarantees carried out by subsidiaries shall be reported to the Company's board.
4. Before making any endorsement/guarantee pursuant to the aforementioned rules, a subsidiary in which the Company holds, directly or indirectly, 90% or more of the

voting shares shall submit the proposed endorsement/guarantee to the Company’s board of directors for resolution.

5. The total guarantee amount of the endorsement offered by subsidiaries as a whole is capped at 20% of the Company's shareholders' equity in the latest financial statements. Exception can be made for the provision of endorsements/guarantees by subsidiaries to the parent company.
6. The guarantee amount of a subsidiary's endorsement of a single enterprise is capped at 10% of the Company's shareholders' equity in the latest financial statements. Exception can be made for the provision of endorsements/guarantees by subsidiaries to the parent company.
7. Subsidiaries should submit the schedule of endorsement and guarantee for the previous month to the Finance Section of the company before the 5th (excluded) of each month for compilation and then make an announcement.
8. The Finance Section of the Company should review the schedule of the subsidiaries' endorsement and guarantee on a monthly basis. If any abnormal situation is found, it should immediately urge the subsidiaries to make improvements in accordance with the relevant measures.
9. Subsidiaries conducting annual self-inspection of internal control shall include the matters that have been handled in accordance with the regulations and procedures for endorsement and guarantee as self-inspection items, and submit the self-inspection report to the Company.
10. The Internal Audit Section of the Company shall review the self-inspection reports submitted by each subsidiary.

Article 11 Penalties

The Company's external endorsement guarantee should be subject to the Regulations and the provisions of the Procedures. If the relevant personnel violate the regulations, they will be penalized in accordance with the Company's regulations for personnel.

Article 12 Stipulation and amendment

The Procedures shall be approved by the board resolution and at the shareholder meeting before implementation. If there are directors who express dissent and there are records or written statements, the Company shall submit the dissenting opinions to the shareholder meeting for discussion, and likewise for revisions.

Article 13 The revision for the B-0 Edition of the Procedures has been approved by the board at the meeting held on 2023.04.19, and is submitted to the shareholder meeting held on 2023.06.16 for approval.

Appendix 3

Acelon Chemicals & Fiber Co., Ltd.

Rules of Procedure for Shareholder Meetings (A-3 Edition)

Article 1 : The Rules were stipulated in accordance with the Rules Governing the Conduct of Shareholders Meetings by Public Companies promulgated on August 4, 1997, Article 182-1 of the Company Act and Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. Unless otherwise stipulated by laws and regulations, the Rules shall prevail.

Article 2 : Shareholders who hold more than 1% of the total shares on the book closure date can apply to the Company in writing for motions at the general meeting of shareholders. Each shareholder is entitled to proposing one motion, and each motion is limited to 300 words, and the scope of motion must be a matter that can be resolved at the shareholder meeting. Motions cannot be included in the meeting by the board if they involve any of the circumstances in Paragraph 4, Article 172-1 of the Company Act. Shareholders who have successfully proposed their motions shall attend the annual general meeting in person or through proxy attendance and participate in the discussion.

The Company shall announce, before the book closure date of the annual general meeting, the conditions, places and time within which shareholders' proposals are accepted. The timing of acceptance must not be less than 10 days.

The Company shall provide an attendance register for the attending shareholders to sign in, or have the attending shareholders turn in their attendance cards as to sign in.

The number of shares in attendance is counted based on the attendance register or the submitted attendance cards.

Article 3 : Attendance and voting at a shareholders meeting shall be calculated based on the number of shares.

Article 4 : Shareholders' meeting should be held at the location of the Company or the place convenient for the shareholders and suitable for the meeting occasion. The meeting should not be earlier than 9 am or later than 3 pm.

Article 5 : The chairman should chair the shareholder meeting convened by the board. The Vice-chairman is to chair the meeting on behalf of the chairman if the chairman takes the day off or for any reason cannot exercise the power. The chairman is to appoint a managing director on behalf of the vice-chairman if there is no vice-chairman or if the vice-chairman cannot attend the meeting due to the aforementioned reasons. A director is appointed if there is no managing director. In the event that the chairman does not appoint anyone, the managing directors or the directors are to recommend one person.

For a shareholder meeting that is convened by those with the convening authority outside

of the board, the meeting should be chaired by the ones with convening authority.

Article 6 : Attorneys, accountants or other relevant personnel appointed by the Company may attend the shareholder meeting as non-voting delegates.

Staff handling administrative affairs of the shareholder's meeting shall wear identification cards or armbands.

Article 7 : The Company shall make an uninterrupted audio and video recording of the entire meeting of shareholders, and the recorded materials shall be retained for at least one year.

Article 8 : The chair is to call the meeting to order at the designated meeting time, but is to announce a postponement if the attending shareholders represent less than half of the total issued shares. The number of postponements is limited to two times, totaling no more than 1 hour. If the quorum is not met after two postponements but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1, Article 175 of the Company Act.

If the attending shareholders represent more than half of the total issued shares before the end of the meeting, the chair is to make a tentative resolution and re-submit it for a shareholders vote in accordance with Article 174 of the Company Act.

Article 9 : The board should set the agenda for the meetings that it convenes. The meeting should be carried out based on the agenda, and should be not changed without the resolution of the shareholders.

The regulations of the preceding paragraph may be applied to a meeting of shareholders convened by a party that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.

If the chairperson violates the rules of procedure by declaring the meeting ended, a new chairperson of the meeting may be elected by a resolution to be adopted by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceedings of the meeting.

Article 10 : Before speaking, the attending shareholders should first fill out speech notes clearly stating the purpose, account number (or the attendance pass number) or account name and allow the chair to determine the order to give the speech.

The attending shareholders are considered to offer no statement if they only provide the statement slips without speaking. In the event that the content of the statement is inconsistent with the speech note, the content of the statement should prevail.

When a present shareholder is making a statement, other shareholders shall not speak

unless permitted by the chairperson and the speaking shareholder. Violators shall be halted by the chairperson.

Article 11 : Each shareholder shall not make more than two statements for the same proposals without the chairperson's agreement, and each statement shall not exceed five minutes.

If the shareholder's statement violates the rules or exceeds the scope of the issue, the chairperson shall halt the statement.

Article 12 : Corporate entities that have been appointed as proxy attendants can only appoint one representative to attend shareholder meeting.

The corporate shareholders who assign more than two legal representatives to attend the meeting can only have one person giving speech for a motion.

Article 13 : After an attending shareholder speaks, the chairperson shall personally answer or designate a person to answer.

Article 14 : The chair is to stop discussion and announce for a vote for the motion that is close to the level to be decided by votes. In addition to being voted by ballot, motions are considered passed if shareholders express no objection after being consulted by the chair, and are considered passed with the same effectiveness as by voting. Shareholders have one vote per share.

Article 15 : The monitoring and counting personnel for the voting should be assigned by the chair, and the monitoring personnel should have shareholder status.

Voting results shall be made known on-site immediately and recorded in writing.

Article 16 : During the meeting the chairperson shall announce a recess at set times.

Article 17 : Unless otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.

Article 18 : For the amendment or substitute of the same motion, the chair is to combine it with the original motion to determine the voting order. If one of the motions has been passed, the other motions are viewed as denied and no more voting will be conducted.

Article 19 : The chair is to direct proctors (or security guards) to help maintain order in the meeting. The proctors (or security personnel) help maintaining order at the meeting place shall wear an armband bearing the word "Proctor."

Article 20 : Any outstanding issues not specified in the Rules of Procedures are to be handled in accordance with the Company Act and the related regulations.

The formulation of the Rules is resolved by the board before being reported to the shareholder meeting for approval implementation, and likewise for amendment.

Acelon Chemicals & Fiber Co., Ltd.

Directors' Shareholding Ownership

I. The Company's paid-in capital is NT$1,111,573,200 and the Company has issued a total of 111,157,320 shares.

II. Pursuant to Article 26 of the Securities and Exchange Act, directors are required to maintain an aggregate holding of at least 8,000,000.

III. As of the book closure date of the shareholder meeting, the number of shares held by each individual and all directors as recorded in the shareholder register is as follows:

Shareholding of Each Director and All Directors as a Whole

Date of record: April 18, 2026

Title	Account Name	Number of shares	Ownership
Chairman	Honghou Investment Representative of legal person: Wen-Tung Chou	7,431,983	6.69%
Director	Ming-Yi Lai	6,078,868	5.47%
Director	Shangcheng Investment Legal person representative: Yi-Sheng Lin	4,958,000	4.46%
Director	Chin Ying Fa Mechanical Industrial Legal person representative: Yu-Long Shih	2,669,077	2.40%
Director	Ya-Hui Shih	2,158,027	1.94%
Director	Ping-Yi Chou	2,634,219	2.37%
Director	Wen-Po Yang	704,606	0.63%
Independent Director	Shui-Chin Chen	0	0%
Independent Director	Wan-Chung Chen	0	0%
Independent Director	Ai-Hui Ke	0	0%
Independent Director	Cheng-Pei Kuo	0	0%
Overall Directors' Shareholding Position		26,634,780	23.96%

Other supplementary notes

Status of acceptance of shareholder proposals at the shareholder general meeting

(I) According to Article 172-1 of the Company Act, shareholders who hold over 1% of the total issued shares may propose motions in writing in the Company's shareholder general meeting. Each shareholder is limited to one issue in the motion containing less than 300 words.

(II) The annual general meeting for the year accepts shareholders' proposals between April 06, 2026 and April 15, 2026, which has been announced on the MOPS in accordance with the law.

(III) The Company has not yet received any shareholders' proposals.