

Stock Code : 9927

THYE MING INDUSTRIAL CO., LTD.

2025 Annual Report

Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Taiwan Stock Exchange Market Observation Post System :

<http://mops.twse.com.tw>

Company Website :

<http://www.tmicl.com.tw>

April 30, 2026

1. The Company's Spokesperson and Deputy Spokesperson

Spokesperson

Name : Tung Hsin-Yuan

Title : Finance & Accounting Manager

Tel : (07)787-2278

Email : frank@tmicl.com.tw

Deputy Spokesperson

Name : Li Shu-Fen

Title : Head of Audit

Tel : (07)787-2278

Email : tansy@tmicl.com.tw

2. Head Office

Address : No. 6, Juguang 3rd St., Daliao Dist., Kaohsiung City, Taiwan

Tel : (07)787-2278

3. Stock Transfer Agency

Name : Taishin Securities stock transfer agency department

Address : B1, No.96, Sec. 1, Jianguo N. Rd. Zhongshan Dist., Taipei City, Taiwan

Website : www.tssco.com.tw

Tel : (02)2504-8125

4. Contact information of the Certified Publish Accountants for the latest Financial Report :

Name : Wu Chiu-Yen, Liu Yu-Shiang

Firm : Deloitte & Touche

Address : 3F, No. 88, Chenggong 2nd Rd., Qianzhen Dist., Kaohsiung City, Taiwan

Website : www.deloitte.com.tw

Tel : (07)530-1888

5. Venue for trading the Company's listed overseas securities and inquiry method for such overseas securities : None

6. Company Website

www.tmicl.com.tw

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I. Letter to Shareholders

Dear Shareholders,

Consolidated operating income in 2025 was NT\$8,048,159 thousand, a decrease of 5.91% from that in 2024. The net profit before tax was NT\$847,936 thousand, a decrease of 36.02% compared with that in 2024. The explanation of the business performance of 2025 is as follows:

1. 2025 Business Results

(1) Implementation results of business plan

Item	2025	2024	Unit: Thousand NT\$	
			Increased (decreased) change	
			Amount	%
Operating revenue	8,048,159	8,553,557	(505,398)	(5.91)
Operating cost	7,048,123	7,324,463	(276,340)	(3.77)
Gross profit	1,000,036	1,229,094	(229,058)	(18.64)
Total operating expenses	232,288	266,274	(33,986)	(12.76)
Profit from operations	767,748	962,820	(195,072)	(20.26)
Profit before income tax	847,936	1,325,374	(477,438)	(36.02)
Net profit for the year	656,276	1,055,040	(398,764)	(37.80)
Net profit attributable to the owners of the Company	652,954	1,052,318	(399,364)	(37.95)
Total comprehensive income for the year	527,149	1,095,771	(568,622)	(51.89)

(2) Budget Implementation Status of 2025

We are not required to publicize our financial forecasts for 2025.

(3) Financial situation of income and expenditure

Item	2025	2024
Net cash generated from operating activities	450,582	702,779
Net cash used in investing activities	(15,266)	(136,090)
Net cash used in financing activities	(1,515,626)	(1,330,665)
Net decrease in cash and cash equivalents	(1,115,405)	(753,560)
Cash and cash equivalents at the beginning of the year	2,447,425	3,200,985
Cash and cash equivalents at the end of the year	1,332,020	2,447,425

Net cash inflows from operating activities decreased from the previous period, primarily due to an increase in year-end inventory and the disposal of financial assets.

Net cash outflows from investing activities decreased compared to the last period, mainly driven by a reduction in foreign currency time deposits.

Furthermore, cash outflows from financing activities increased over the prior period due to higher cash dividend payments.

(4) Profitability

Items	2025	2024
Return on assets (%)	9.57	14.08
Return on equity (%)	10.72	16.28
Ratio of operating profit to paid-in capital (%)	63.98	57.54
Ratio of net profit before tax to paid-in capital (%)	70.66	79.21
Net profit rate (%)	8.15	12.33
Earnings per share (NT dollar)	4.26	6.29

(5) Research and development

At present, the research and development direction of the lead product market is still working on many aspects, such as reducing product costs, environmental protection and resource regeneration, increasing the performance of lead products, and technological development.

2. Summary of Business Plan for 2026

(1) Operating strategy:

We obtained ISO9002 quality assurance certification at the beginning of 1996, which helps us to improve technical standards and expand the market area. In 1997, we obtained ISO14001 environmental management system certification. We fulfilled our due responsibilities for the environment, so that we obtained ISO/TS16949 quality management system certification in March 2005. Our future business development strategy will still adhere to the spirit of "Quality First, Service First". Besides maintaining the stable growth of our main business, we will continue to promote the goal of vertically integrated operations.

(2) Expected sales volume and its basis

1. Expected sales volume: Approximately 93,738 tons.
2. Basis: Factors such as industry supply and demand conditions and the trends of international lead price shall be the basis for estimation.

(3) Production and sales policy

1. Disperse the procurement area and objects, and develop the stability of new materials actively and reduce the cost of purchasing materials.
2. Collect and analyze the development trend of the lead product market, strengthen the development of domestic and foreign markets, and work on diversifying the source of customers.
3. Comply with customers' needs, provide customers with information related to lead products, and open up after-sales service consulting channels to assist customers in solving problems to further improve after-sales service.
4. Develop new products in cooperation with customers, increase the added value of products, and create a win-win situation together.

3. The future development strategy of the company

Due to the rise of emerging markets such as China, India and ASEAN countries, the automotive and motorcycle industries are developing relatively rapidly, and the demand for lead-acid batteries for automotive use is increasing continuously, and the demand for consumer products such as electric motorcycles, electric bicycles and UPS is increasing constantly, so the battery storage industry will have great potential for application. Lead alloys and lead ingots produced by the company are used by battery manufacturers to produce lead-acid batteries, accounting for 92% of its annual revenue in 2024. In the future, the company will use this as the basis for vertical integration to research and develop new electrode materials, reduce production costs and enhance the recycling and disposal of waste lead batteries.

4. Impact from the external competitive environment, regulatory environment and overall business environment

(1) External competitive environment

Due to the stable international lead price and profitable recycling of waste lead batteries, both legal and illegal collectors are engaged in the recycling of waste lead batteries due to the profitable situation, which has a slight impact on the recycling volume of the company. However, the first company in Taiwan to obtain a waste lead battery processing license and the first company in Taiwan's lead disposal industry, most of the lead-acid battery manufacturers, automotive workshops, national defense units and telecommunication companies in Taiwan work closely with the company to process waste lead batteries and regenerate waste lead resources, while lead-acid battery manufacturers also rely on the company to obtain alloy raw materials from recycled waste lead batteries. Although the external environment is highly competitive, the large production volume, complete product line, comprehensive product inspection equipment and on-time delivery of products by the company naturally differentiate its target market from small legal and illegal collectors.

In recent years, lithium batteries have become popular. Lithium batteries feature light weight, high energy density, and fast charging and discharging capabilities; they have already taken up some of the lead-acid battery market in the electric vehicle field. The Company continues to develop new lead alloy technologies for lead-acid batteries (e.g., AGM/GEL) and to expand into new markets, in order to cope with external competition.

(2) Regulatory environment

The pollution sources generated in the manufacturing process are all handled in accordance with the environmental protection laws and regulations, and in terms of pollution prevention, we are making continuous efforts to reduce pollution by adding or improving pollution prevention equipment and strengthening the training of operators. In terms of the core treatment, we focus on waste water and waste lead smelting to make fundamental waste reduction from the process in order to protect the environment and create profits. Since the company was founded, we have been upholding the concept of environmental protection, quality, innovation and sustainable management, energy conservation and resource recycling to achieve a win-win situation for both the environment and the economy. As the company's main sales area is in Asia and its products are covered by the exemption of RoHS (Restriction of Hazardous Substances Directive), In addition, lead can be fully recycled, which enables sustainable use of lead-acid batteries and has no impact on the sales volume of the Company. The international organizations and corporations are more concerned about the carbon footprint in the supply chain. If the lead industry does not comply with the sustainable development goals, it will face the pressure of order reduction. The Company continues to implement ESG policies to strengthen lead recycling and green smelting, to create not only economic benefits, but also to move towards a sustainable future that is better for the environment and the society.

(3) Overall business environment

With the economic development, national income and living standards continue to rise, the high-tech industries such as automotive, motorcycle and UPS are also developing rapidly, and the demand for lead batteries for automotive and motorcycle is also increasing. The company supplies high quality lead antimony alloy, lead calcium alloy, and high quality yellow and red lead to various lead accumulator manufacturers. In terms of recycling and smelting production capacity, and the product quality has reached international standard specifications, making the company the best quality manufacturer in the domestic lead product industry.

The company obtained a license to list on the London Metal Exchange (LME) in 1999 under the registered brand name TMI. In addition, we are also ISO-9001 quality system certified, ISO-14001 environmental management system certified and ISO-45001 occupational safety

and health management system for the lead manufacturing and processing industry, in order to continuously improve our quality to meet customer requirements, enhancing the quality of the work environment for employees and achieving sustainable business practices to fulfill social responsibilities.

Since the lead price has fluctuated dramatically in recent years due to China's domestic demand, the strong and weak US dollar, and international trade policies, Geopolitical conflicts have also affected the stability of the lead raw material supply chain. This has put pressure on the global supply and lead price, while higher financing costs for businesses during the high interest rate period have also suppressed the interest in investing in lead-related infrastructures or energy storage systems. The Company has established a flexible supply chain, and locked in long-term purchasing and recycling contracts, in response to the overall business and environmental risks.

Chairman : Chen Li-Ming Manager : Lee Mao-Shen Accounting Supervisor : Tung Hsin-Yuan

II. Corporate Governance Report

1. Information on the company's directors, supervisor, general manager, deputy general managers, and the supervisors of all the company's divisions and branch units

(1) Directors

1. Director Information

April 19, 2026

Title	National ity or Place of Registrat ion	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Current Shareholding		Current Shareholding in the name of others		Main Experience(Education)	Current Positions at the Company and Other Company	Executives, Director or Supervisors who are spouses or within two degree of kinship			Remark (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	Tai Yung Investment Co., Ltd. Representative : Chen, Li-Ming	Male over 80	2023.6.9	3	2020.6.24 1996.11.6	8,602,232 0	5.14% —	6,743,232 0	5.62% —	0 0	— —	0 0	— —	Junior High School	Tai Lin Investment Co., Ltd. Director Thye Wey Industrial Co., Ltd. Director Tai Ying Investment Co., Ltd. Director	Director	Chen Chang-Hao	Father & Son	None
Director	R.O.C.	Chen Chang-Hao	Male 51-60	2023.6.9	3	2005.7.4	1,470,740	0.88%	752,798	0.63%	0 0	— —	0 0	— —	Western Washington University Business Administration	Thye Wey Industrial Co., Ltd. Director Thye Ming (Vietnam) Industrial Co., Ltd. General Manager Tai Lin Investment Co., Ltd. Chairman Tai Yung Investment Co., Ltd. Chairman Tai Ying Investment Co., Ltd. Chairman	Chairman	Chen Li-Ming	Father & Son	None
Director	R.O.C.	Tai Lin Investment Co., Ltd. Representative : Chen, Chi-Lin	Male over 80	2023.6.9	3	1999.4.1 1996.11.6	27,190,913 0	16.25% —	20,052,707 0	16.71% —	0 0	— —	0 0	— —	Elementary School	Tai Ye Industrial Co., Ltd. Chairman Ever Chance Enterprise Co., Ltd. Chairman	None	None	None	None
Director	R.O.C.	Tai Lin Investment Co., Ltd. Representative : Chou, Chung –Fa	Male 51-60	2023.6.9	3	1999.4.1 2017.9.26	27,190,913 0	16.25% —	20,052,707 0	16.71% —	0 0	— —	0 0	— —	Fortune Institute of Technology Business Administration	Thye Ming Industrial Co., Ltd. Assistant to General Manager's Office	None	None	None	None
Director	R.O.C.	Jin Jun Investment Co., Ltd. Representative : Chen, Han-Wen	Male 61-70	2023.6.9	3	2011.6.27 2022.3.8	10,808,443 —	6.46% —	8,300,000 82	6.92% 0.00%	0 12,209	— 0.01%	0 0	— —	Kaohsiung Medical University Master of Medicine	Medical Vice President of Yuan's General Hospital	Director	Lee Mao-Shen	Brother- in-law	None
Director	R.O.C.	Mao Shen Investment Co., Ltd. Representative : Lee, Mao- Shen	Male 61-70	2023.6.9	3	2011.6.27 2007.6.25	16,731,356 0	9.99% —	14,128,277 0	11.77% —	0 0	— —	0 0	— —	Fortune Institute of Technology Business Administration	Thye Ming Industrial Co., Ltd. General Manager Thye Wey Industrial Co., Ltd. Chairman Mao Shen Investment Co., Ltd. Chairman Jet Rate Trading Co., Ltd. Chairman Taiwan International Ports Logistics Corporation Director	Director	Chen Han-Wen	Brother- in-law	None
Independent Director	R.O.C.	Chen, Yi-Ming	Male 71-80	2023.6.9	3	2017.6.28	0	—	0	—	0	—	0	—	National Chengchi University Business Administration	Thye Ming Industrial Co., Ltd. Remuneration Committee member Wah Hong Industrial Corp. Remuneration Committee member	None	None	None	None
Independent Director	R.O.C.	Lee, Wen-Fa	Male 71-80	2023.6.9	3	2020.6.24	24,200	0.01%	18,790	0.02%	0	—	0	—	Chinese Culture University Master of Business Administration	Thye Ming Industrial Co., Ltd. Remuneration Committee member	None	None	None	None
Independent Director	R.O.C.	Lo, Yu-San	Male 61-70	2023.6.9	3	2017.6.28	5,000	0.00%	3,585	0.00%	0	—	0	—	Soochow University Department of Economics Shanghai University of Finance and Economics Master of Accounting	Faith Certified Public Accountant & Co. Chairman Faith Tax Consultancy Co., Ltd. Chairman Thye Ming Industrial Co., Ltd. Remuneration Committee member	None	None	None	None

Note : Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto(Such as increasing the seats of independent directors, shall be a majority of directors who do not serve concurrently as an employee or manager.).

2. Major shareholders of institutional shareholders

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Name	Major shareholders
Tai Yung Investment Co., Ltd.	Chen Chang-Hao (66.51%) Chen Mei-Tan (20.49%) Sarnath Social Welfare Foundation (9.86%)
Tai Lin Investment Co., Ltd.	Sarnath Social Welfare Foundation (70.06%) Tai Ying Investment Co., Ltd. (18.69%) Chen Chang-Hao (11.24%)
Jin Jun Investment Co., Ltd.	Li Jun-Xian (55%) Li Huang Xiu-Luan (5%) Li Hui-Zhu (20%) Li Su-Hua (15%)
Mao Shen Investment Co., Ltd.	Li Mao-Shen (100%)

3. Names of the institutional shareholders, and its 10 largest shareholders

April 19, 2026

Name	Major shareholders
Tai Ying Investment Co., Ltd.	Sarnath Social Welfare Foundation (90.54%) Chen Chang-Hao (9.46%)

4. Information on Professional Qualifications of Directors and Independence of Independent Directors

Qualifications Name	Principal work experience and professional qualifications	Status of independence	Number of other Companies of public offering Where the board director serves as independent director
Tai Yung Investment Co., Ltd. Representative : Chen Li-Ming	Over five years of working experience required for the Company's business. Chairman of the Company Not having one of the circumstances under Article 30 of the Company Act.	Not applicable	None
Chen Chang-Hao	Over five years of working experience required for the Company's business. GM of Thye Ming (Vietnam) Not having one of the circumstances under Article 30 of the Company Act.	Not applicable	None
Tai Lin Investment Co., Ltd. Representative : Chen Chi-Lin	Over five years of working experience required for the Company's business. Chairman of Taiyeh Enterprise Co., Ltd. Not having one of the circumstances under Article 30 of the Company Act.	Not applicable	None
Tai Lin Investment Co., Ltd. Representative : Chou Chung -Fa	Over five years of working experience required for the Company's business. Thye Ming Industrial Co., Ltd. Assistant to General Manager's Office Not having one of the circumstances under Article 30 of the Company Act.	Not applicable	None
Jin Jun Investment Co., Ltd. Representative : Chen Han-Wen	Attending Physician of Kaohsiung Medical University Hospital Surgery Department Lecturer of Kaohsiung Medical University (Department of Surgery) Medical Vice President of Yuan's General Hospital Not having one of the circumstances under Article 30 of the Company Act.	Not applicable	None
Mao Shen Investment Co., Ltd. Representative : Lee Mao-Shen	Over five years of working experience required for the Company's business. Thye Ming Industrial Co., Ltd. General Manager Not having one of the circumstances under Article 30 of the Company Act.	Not applicable	None
Chen Yi-Ming	Over five years of working experience required for commercial, legal, finance, accounting or the Company's business. Audit member of the Company Remuneration member of the Company Remuneration Committee Member of Wah Lee Industrial Corp. Remuneration Committee Member of Wah Hong Industrial Corp. CPA of Deloitte & Touche CPA of Guocheng Accounting Firm Not having one of the circumstances	1. Not an employee of the Company or any of its affiliates. 2. Not a director or supervisor of the Company or any of its affiliates. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings.	None

Qualifications Name	Principal work experience and professional qualifications	Status of independence	Number of other Companies of public offering Where the board director serves as independent director
	under Article 30 of the Company Act.	4. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.	
Lee Wen-Fa	Over five years of working experience required for commercial, legal, finance, accounting or the Company's business. Audit member of the Company Remuneration member of the Company Deputy Director-general of National Taxation Bureau of Kaohsiung Not having one of the circumstances under Article 30 of the Company Act.	5. Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. 6. Not a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: a director, supervisor, or employee of that other company. 7. Not the chairperson, general manager, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: a director (or governor), supervisor, or employee of that other company or institution.	None
Lo, Yu-San	Over five years of working experience required for the Company's business. Audit member of the Company Remuneration member of the Company Faith Certified Public Accountant & Co. Chairman Faith Tax Consultancy Co., Ltd. Chairman Not having one of the circumstances under Article 30 of the Company Act.	8. Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 9. Not a professional individual who has provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the company in the past 2 years. 10. Not a spouses of or are related within the second degree of kinship to the directors. 11. Not be elected by a government agency or a juristic person acts as a shareholder of a company, its authorized representative as stipulated in Article 27 of the Company Act.	None

5.Board Diversity and Independence :

(1) Board Diversity :

In accordance with Article 20 of the Company's Corporate Governance Best Practice Principles, the composition of the Board of Directors shall pay attention to gender equality and generally possess the knowledge, skills and qualities necessary to perform its duties. In order to achieve the ideal goal of corporate governance, the Board of Directors as a whole shall possess the following competencies:

1. operational judgment ability
2. accounting and financial analysis ability
3. administration ability
4. conduct crisis management ability
5. industrial knowledge
6. perspective of international market
7. leadership
8. decision- making ability.

The composition of the board members shall consider diversification. In addition to the fact that the number of directors who are also managers of the company shall not exceed one-third of the total number of the board members, an appropriate diversification policy shall be formulated according to their own operation, operation pattern and development needs. It shall include but not be limited to the following two major criteria :

1. Basic conditions and values : Gender, age, nationality and culture, etc. of which the percentage of female directors should reach one-third of the total number of the board members
2. Professional knowledge and skills : Professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industrial experience, etc.

Implementation of diversity in the Board of Directors

Diversified core Item Name	Basic Composition							Professionalism Competence			Industrial knowledge			Overall Abilities								
	Nationality	Gender	Concurrently as an employee	Age			Term of office of independent directors			Finance & Accounting	Architecture	Medicine	Metal	Medical	Create	Operational judgment ability	Accounting and financial analysis ability	Administration ability	Conduct crisis management ability	Perspective of international market	Leadership	Decision- making ability
				51 to 60	61 to 70	Over 71	Less than 3 years	3 to 9 years	More than 9 years													
Chen Li-Ming	R.O.C.	Male				✓							✓		✓	✓	✓	✓	✓	✓	✓	✓
Chen Chang-Hao	R.O.C.	Male		✓									✓			✓	✓	✓	✓	✓	✓	✓
Chen Chi-Lin	R.O.C.	Male				✓							✓		✓	✓	✓	✓	✓	✓	✓	✓
Chou Chung –Fa	R.O.C.	Male	✓	✓									✓			✓	✓	✓	✓	✓	✓	✓
Chen Han-Wen	R.O.C.	Male			✓							✓		✓		✓	✓	✓	✓	✓	✓	✓
Lee Mao-Shen	R.O.C.	Male	✓		✓								✓		✓	✓	✓	✓	✓	✓	✓	✓
Chen Yi-Ming	R.O.C.	Male				✓		✓		✓			✓			✓	✓	✓	✓	✓	✓	✓
Lee Wen-Fa	R.O.C.	Male				✓		✓		✓			✓			✓	✓	✓	✓	✓	✓	✓
Lo, Yu-San	R.O.C.	Male			✓		✓			✓			✓			✓	✓	✓	✓	✓	✓	✓

The composition of the board and the specific management by objectives of the diversity policy and the achievement of these objectives are as follows. :

Management by Objectives	Achievement
Directors concurrently serving as company officers not exceed one-third of the total number of the board members	Achieved
Independent directors shall be elected for not to exceed three consecutive terms	Achieved
The number of female directors shall account for at least one-third of all the directors	Not achieved

The Company currently has no female directors. We plan to increase the number of female directors when the current Board's term expires this year (2026), in order to achieve our goal of diversifying the Board's composition.

(2) Board Independence :

There are 9 board members, including 3 independent directors and 2 directors who are employees, accounting for 33.3% and 22.2% of all board members respectively. 2 directors are between the ages of 51 and 60, 3 directors are between the ages of 61 and 70, and other directors are over the age of 71. The number of independent directors is one-third of the total number of the board members, which is in compliance with the regulations for independent directors, and there are no circumstances between the directors and independent directors as described in Items 3 and 4 of Article 26-3 of the Securities and Exchange Act. Please refer to page 6 of this annual report for information on each director's education, gender and work experience.

2025 Implementation of Continuing Education for Directors

Title	Name	Date	Organizer	Course	Hours
Director	Chen Li-Ming	2025.7.9	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
		2025.5.23	Securities and Futures Institute	2025 Seminar on Prevention of Insider Trading	3
Director	Chen Chi-Lin	2025.7.9	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
		2025.5.23	Securities and Futures Institute	2025 Seminar on Prevention of Insider Trading	3
Director	Chen Chang-Hao	2025.7.9	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Director	Lee Mao-Shen	2025.7.9	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
		2025.6.19	Taiwan Academy of Banking and Finance	Corporate Governance Forum	3
Director	Chen Han-Wen	2025.7.9	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	3
		2025.6.19	Taiwan Academy of Banking and Finance	Corporate Governance Forum	3
Director	Chou Chung –Fa	2025.7.9	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Independent Director	Chen Yi-Ming	2025.6.19	Taiwan Academy of Banking and Finance	Corporate Governance Forum	3
		2025.5.23	Securities and Futures Institute	2025 Seminar on Prevention of Insider Trading	3
Independent Director	Lee Wen-Fa	2025.6.19	Taiwan Academy of Banking and Finance	Corporate Governance Forum	3
		2025.5.2	Securities and Futures Institute	2025 Seminar on Prevention of Insider Trading	3

Title	Name	Date	Organizer	Course	Hours
Independent Director	Lo, Yu-San	2025.7.9	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6

(2) Information on general manager, deputy general managers, and the supervisors of all the company's divisions and branch units

Unit : Shares April 19, 2026

Title	Nationality	Name	Gender	Inauguration date	Shareholding		Spouses & Minor Shareholding		Current Shareholding in the name of others		Major Experience (Education)	Current Positions at Other Companies	Managers who are spouses or within two degrees of kinship			Remarks (Note)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
General Manager	R.O.C.	Lee Mao-Shen	Male	2000.04.01	0	—	0	—	0	—	Fortune Institute of Technology Business Administration	Mao Shen Investment Co., Ltd. Chairman Thye Wey Industrial Co., Ltd. Chairman Jet Rate Trading Co., Ltd. Taiwan International Ports Logistics Corporation Director	None	None	None	None
General Manager's Office Manager	R.O.C.	Dong Nai-Jia	Male	2008.01.01	0	—	0	—	0	—	Tunghai University Accounting Department	None	None	None	None	None
Management Department Manager	R.O.C.	Wu Jung-Shun	Male	2023.7.1	0	—	0	—	0	—	National Pingtung University of Science & Technology Master of Business Administration	None	None	None	None	None
Business Planning Department Manager	R.O.C.	Cheng Jung-Pao	Male	2022.04.01	0	—	0	—	0	—	Chia Nan University of Pharmacy and Science Master of Science in Environmental Engineering and Science	None	None	None	None	None
Foreign Trade Department Manager	R.O.C.	Chen Yan-Hong	Male	2019.12.27	0	—	0	—	0	—	National Kaohsiung University of Science & Technology Department of Finance and Information	None	None	None	None	None
Production Department Manager	R.O.C.	Chen Chao-Jun	Male	2015.4.30	0	—	0	—	0	—	National Yunlin University of Science and Technology Department of Geography	None	None	None	None	None
Sales Department Manager	R.O.C.	Chen Jun-Cheng	Male	2015.4.30	0	—	0	—	0	—	Cheng Shiu University Department of Business Administration	None	None	None	None	None
Finance & Accounting Department Manager	R.O.C.	Tung Hsin-Yuan	Male	2006.03.23	0	—	49,563	0.04%	0	—	National Kaohsiung Normal University Master of Business Administration	None	None	None	None	None

Note : Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (Such as increasing the seats of independent directors, shall be a majority of directors who do not serve concurrently as an employee or manager.).

2. Remuneration paid during the most recent fiscal year to directors, supervisor, general manager, and deputy general managers

(1) Remuneration of general and independent directors

Unit : thousand, %

Title	Name	Director's Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Remuneration from other jobs								The sum of A, B, C, D, E, F and G as a percentage of after-tax net profit		Remuneration from re-invested businesses other than subsidiaries or parent company
		Base Compensation (A) (Note 1)		Severance Pay and Pensions (B)		Compensation to Directors (C) (Note 2)		Business execution expenses (D) (Note 3)				Remuneration, bonus and special fees (E) (Note 4)		Retirement pension (F) (Note 6)		Employee remuneration (G) (Note 5)						
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company		From All Consolidated Entities		The Company	From All Consolidated Entities	
																Cash	Stock	Cash	Stock			
Chairman	Tai Yung Investment Co., Ltd.	2,200	2,200	0	0	3,140	3,140	40	40	5,380 0.82%	5,380 0.82%	0	0	0	0	0	0	0	0	5,380 0.82%	5,380 0.82%	None
	Representative : Chen Li-Ming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Director	Chen Chang-Hao	0	0	0	0	500	500	40	40	540 0.08%	540 0.08%	0	2,275	0	8	0	0	0	0	540 0.08%	2,823 0.43%	None
Director	Tai Lin Investment Co., Ltd.	0	0	0	0	9,800	9,800	0	0	9,800 1.50%	9,800 1.50%	0	0	0	0	0	0	0	0	9,800 1.50%	9,800 1.50%	None
	Representative : Chen Ki-Rin	0	0	0	0	0	0	40	40	40 0.01%	40 0.01%	0	0	0	0	0	0	0	0	40 0.01%	40 0.01%	
Director	Tai Lin Investment Co., Ltd. Representative : Chou Chung-Fa	0	0	0	0	0	0	40	40	40 0.01%	40 0.01%	480	480	29	29	0	0	0	0	549 0.08%	549 0.08%	None
Director	Jin Jun Investment Co., Ltd.	0	0	0	0	4,030	4,030	0	0	4,030 0.62%	4,030 0.62%	0	0	0	0	0	0	0	0	4,030 0.62%	4,030 0.62%	None
	Representative : Chen Han-Wen	0	0	0	0	0	0	40	40	40 0.01%	40 0.01%	0	0	0	0	0	0	0	0	40 0.01%	40 0.01%	
Director	Mao Shen Investment Co., Ltd.	0	0	0	0	6,850	6,850	0	0	6,850 1.05%	6,850 1.05%	0	0	0	0	0	0	0	0	6,850 1.05%	6,850 1.05%	None
	Representative : Lee Mao-Sen	0	0	0	0	0	0	40	40	40 0.01%	40 0.01%	6,083	6,083	42	42	0	0	0	0	6,165 0.94%	6,165 0.94%	
Independent director	Chen Yi-Ming	870	870	0	0	0	0	40	40	910 0.14%	910 0.14%	0	0	0	0	0	0	0	0	910 0.14%	910 0.14%	None
	Lee Wen-Fa	840	840	0	0	0	0	40	40	880 0.13%	880 0.13%	0	0	0	0	0	0	0	0	880 0.13%	880 0.13%	None
	Lo Yu-San	840	840	0	0	0	0	40	40	880 0.13%	880 0.13%	0	0	0	0	0	0	0	0	880 0.13%	880 0.13%	None

1. Please describe the compensation policy, system standards/packages, procedures and the linkage to operating performance and future risk exposure to the Independent directors :

The Company's independent directors shall be compensated in accordance with the Company's Articles of incorporation or by resolution of the shareholders' meeting, and shall be reasonably compensated differently from the general directors and supervisors at their discretion. The compensation of such independent directors shall also be determined by the relevant statutory procedures as a fixed monthly compensation without participation in the distribution of earnings of the Company.

2. Except for the disclosure in the table above, remuneration received by the directors of the Company for services rendered in the most recent year (such as acting as consultants to non-employees of the parent company/all companies in the financial statements/reinvestment business, etc.) : consultant fee NT\$240,000.

Range of remuneration				
Range of remuneration	Directors' name			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company	From All Consolidated Entities (H)	The Company	From All Consolidated Entities (I)
Lower than NT\$ 1,000,000	Chen Li-Ming, Chen Chang-Hao Chen Chi-Lin, Chou Chung-Fa, Chen Han-Wen, Lee Mao-Shen, Chen Yi-Ming, Lee Wen-Fa, Lo Yu-San	Chen Li-Ming, Chen Chang-Hao Chen Chi-Lin, Chou Chung-Fa, Chen Han-Wen, Lee Mao-Shen, Chen Yi-Ming, Lee Wen-Fa, Lo Yu-San	Chen Li-Ming, Chen Chang-Hao Chen Chi-Lin, Chou Chung-Fa, Chen Han-Wen, Chen Yi-Ming, Lee Wen-Fa, Lo Yu-San	Chen Li-Ming, Chen Chi-Lin, Chou Chung-Fa, Chen Han-Wen, Chen Yi-Ming, Lee Wen-Fa, Lo Yu-San
NT\$ 1,000,000 (included) ~ NT\$ 2,000,000 (excluded)	0	0	0	0
NT\$ 2,000,000 (included) ~ NT\$ 3,500,000 (excluded)	0	0	0	Chen Chang-Hao
NT\$ 3,500,000 (included) ~ NT\$ 5,000,000 (excluded)	0	0	0	0
NT\$ 5,000,000 (included) ~ NT\$ 10,000,000 (excluded)	Tai Yung Investment Co., Ltd. Tai Lin Investment Co., Ltd. Jin Jun Investment Co., Ltd. Mao Shen Investment Co., Ltd.	Tai Yung Investment Co., Ltd. Tai Lin Investment Co., Ltd. Jin Jun Investment Co., Ltd. Mao Shen Investment Co., Ltd.	Tai Yung Investment Co., Ltd. Tai Lin Investment Co., Ltd. Jin Jun Investment Co., Ltd. Mao Shen Investment Co., Ltd. Lee Mao-Shen	Tai Yung Investment Co., Ltd. Tai Lin Investment Co., Ltd. Jin Jun Investment Co., Ltd. Mao Shen Investment Co., Ltd. Lee Mao-Shen
NT\$ 10,000,000 (included) ~ NT\$ 15,000,000 (excluded)	0	0	0	0
NT\$ 15,000,000 (included) ~ NT\$ 30,000,000 (excluded)	0	0	0	0
NT\$ 30,000,000 (included) ~ NT\$ 50,000,000 (excluded)	0	0	0	0
NT\$ 50,000,000 (included) ~ NT\$ 100,000,000 (excluded)	0	0	0	0
NT\$ 100,000,000 or more	0	0	0	0
Total	13	13	13	13

Note : 1.The Director's remuneration for the most recent year (including salary, job allowances, severance payment, various bonuses and incentives).
2.The latest amount of Director's remuneration as passed by the board of directors. If the director is a corporate entity, all remuneration to directors and supervisors shall be paid to the corporate entity.
3.The latest annual business execution expenses of the Director (including transportation costs, special expenses, various subsidies, dormitory expenses, car expenses and other physical provisions).
4.The latest salary, job allowances, severance payment, various bonuses, incentives, transportation costs, special expenses, various subsidies, dormitory expenses, car expenses and other physical provisions for the Director's other jobs (including the positions of General Manager, Deputy General Manager, Manager and other positions).
5.Director receives employee remuneration on his/her other job(s) (including the positions of General. Manager, Deputy Manager, Manager and other positions) in the latest year (The latest amount of employee remuneration approved by the board of directors, and the proposed distribution for this year is calculated in proportion to the actual amount distributed last year).
6.It is the amount of contribution to be expensed as retirement pension.

(2) Remuneration of supervisor : Not applicable.

(3) Remunerations of managers

Unit : thousand, %

Title	Name	Salary (A)		Retirement pension (B) (Note)		Bonus and special fees (C)		Employee remuneration (D)				The sum of A, B, C and D as a percentage of after-tax net profit (%)		Remuneration from re-invested businesses other than subsidiaries or parent company
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company		From All Consolidated Entities		The Company	From All Consolidated Entities	
								Cash	Stock	Cash	Stock			
General Manager	Lee Mao-Sen	7,385	7,385	352	352	7,775	7,775	2,644	0	2,644	0	18,156 2.78%	18,156 2.78%	None
Production Department Manager	Chen Chao-Jun													
General Manager's Office Manager	Dong Nai-Jia													
Management Department Manager	Wu Jung-Shun													
Business Planning Department Manager	Cheng Jung-Pao													
Foreign Trade Department Manager	Chen Yan-Hong													
Sales Department Manager	Chen Jun-Cheng													
Finance & Accounting Department Manager	Tung Hsin-Yuan													

Note : It is the amount of contribution to be expensed as retirement pension.

Range of remuneration		
Range of remuneration	Managers' name	
	The Company	From All Consolidated Entities (E)
Lower than NT\$ 1,000,000	0	0
NT\$ 1,000,000 (included) ~ NT\$ 2,000,000 (excluded)	0	0
NT\$ 2,000,000 (included) ~ NT\$ 3,500,000 (excluded)	Chen Chao-Jun, Dong Nai-Jia, Cheng Jung-Pao, Chen Jun-Cheng, Tung Hsin-Yuan, Chen Yan-Hong, Wu Jung-Shun	Chen Chao-Jun, Dong Nai-Jia, Cheng Jung-Pao, Chen Jun-Cheng, Tung Hsin-Yuan, Chen Yan-Hong, Wu Jung-Shun
NT\$ 3,500,000 (included) ~ NT\$ 5,000,000 (excluded)	0	0
NT\$ 5,000,000 (included) ~ NT\$ 10,000,000 (excluded)	Lee Mao-Shen	Lee Mao-Shen
NT\$ 10,000,000 (included) ~ NT\$ 15,000,000 (excluded)	0	0
NT\$ 15,000,000 (included) ~ NT\$ 30,000,000 (excluded)	0	0
NT\$ 30,000,000 (included) ~ NT\$ 50,000,000 (excluded)	0	0
NT\$ 50,000,000 (included) ~ NT\$ 100,000,000 (excluded)	0	0
NT\$ 100,000,000 or more	0	0
Total	8	8

(4) The remuneration of the top five executives with the highest remuneration

Unit : thousand, %

Title	Name	Salary (A)		Retirement pension (B)		Bonus and special fees (C)		Employee remuneration (D)				The sum of A, B, C and D as a percentage of after-tax net profit (%)		Remuneration from re-invested businesses other than subsidiaries or parent company
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company		From All Consolidated Entities		The Company	From All Consolidated Entities	
								Cash	Stock	Cash	Stock			
General Manager	Lee Mao-Sen	2,080	2,080	42	42	4,003	4,003	0	0	0	0	6,125 0.94%	6,125 0.94%	None
General Manager's Office Manager	Dong Nai-Jia	775	775	47	47	659	659	378	0	378	0	1,859 0.28%	1,859 0.28%	None
Production Department Manager	Chen Chao-Jun	741	741	44	44	596	596	378	0	378	0	1,759 0.27%	1,759 0.27%	None
Sales Department Manager	Chen Jun-Cheng	751	751	46	46	569	569	378	0	378	0	1,744 0.27%	1,744 0.27%	None
Finance & Accounting Department Manager	Tung Hsin-Yuan	786	786	48	48	482	482	378	0	378	0	1,694 0.26%	1,694 0.26%	None

(5) Managers with Employee Remuneration Distribution

Dec 31, 2025 Unit : Thousand

	Title	Name	Stock	Cash	Total	Ratio of Total Amount to Net Profit (%)
Manager	Production Department Manager	Chen Chao-Jun	0	2,644	2,644	0.40
	General Manager's Office Manager	Dong Nai-Jia				
	Management Department Manager	Wu Jung-Shun				
	Business Planning Department Manager	Cheng Jung-Pao				
	Foreign Trade Department Deputy Manager	Chen Yan-Hong				
	Sales Department Manager	Chen Jun-Cheng				
	Finance & Accounting Department Manager	Tung Hsin-Yuan				

(6) Analysis of the proportion of the total remuneration of directors, supervisors, general managers and deputy general managers of the Company paid by the Company and all companies in the consolidated financial statement to net profit after tax in individual financial statements of the recent two years. Explanation of remuneration policies, standards and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

Title	2025				2024			
	Total amount		Ratio of total remuneration to net profit after tax (%)		Total amount		Ratio of total remuneration to net profit after tax (%)	
	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities
Director	29,430	29,430	4.51	4.51	43,880	43,880	4.17	4.17
Manager	18,156	18,156	2.78	2.78	23,136	23,136	2.20	2.20

- a. The Company's independent directors receive fixed remuneration and the remuneration of the remaining directors is stipulated in the Company's Articles of Incorporation, and all directors are entitled to be paid transportation fees, regardless of profit or loss. The remuneration of the Chairman of the Board of Directors is determined by the Board of Directors' meeting based on the value of his participation in and contribution to the Company's operations and refer to the industrial level. In addition, Article 21 of the Company's Articles of incorporation stipulates that the Company shall set aside 1% or more of its annual net income before tax for employee compensation and 3% or less for director's remuneration, but when the Company still has accumulated losses, it shall reserve the amount in advance to make up for the losses.

- b. Appointment and discharge and the remuneration of the managerial personnel shall be decided in accordance with the provisions of Company Act. The remuneration of the managerial personnel is based on the "Regulations Governing the Remuneration of Directors and Supervisors" of the Company. The remuneration of the managerial personnel includes salaries and bonuses, in which salary refers to the typical pay levels adopted by peer companies and titles, education (experience), professional abilities and responsibilities. The bonus takes into consideration the managerial personnel's performance evaluation, which includes financial indicators (revenue, sales, pre-tax profit and after-tax profit Revenues, sales, net income before tax and net income after tax achieved rates) and non-financial indicators (significant deficiencies in compliance with laws and regulations and operational risks in the departments within their responsibility, achieved KPI rate), and is based on the allocation ratio approved by the Remuneration Committee and approved by the Chairman of the Board of Directors based on operational performance.

3. Implementation of Corporate Governance :

(1) Board of Directors

4 Board meetings were held in most recent year. Directors attendance were as follows :

Title	Name	Attendance in Person	By Proxy	Attendance rate (%)	Remarks
Chairman	Tai Yung Investment Co., Ltd. Representative : Chen Li-Ming	4	0	100	None
Director	Chen Chang-Hao	4	0	100	None
	Tai Lin Investment Co., Ltd. Representative : Chen Chi-Lin	4	0	100	None
	Tai Lin Investment Co., Ltd. Representative : Chou Chung -Fa	4	0	100	None
	Jin Jun Investment Co., Ltd. Representative : Chen Han-Wen	4	0	100	None
	Mao Shen Investment Co., Ltd. Representative : Lee Mao-Shen	4	0	100	None
Independent Director	Chen Yi-Ming	4	0	100	None
	Lee Wen-Fa	4	0	100	None
	Lo Yu-San	4	0	100	None

Other matters to be recorded :

- If there are the circumstances referred to the following issue, the Company shall specify the dates of meetings, sessions, contents of motions, all independents' opinion and the Company's response to independent directors' opinion :
 - The matters listed in Article 14-3 of the Securities Exchange Act : For related information, please refer to the operation of the Audit Committee on page 24 of the Annual Report.
 - In addition, any resolution matters of Board of Directors with records or statement in writing that independent director has a dissenting opinion or qualified opinion : None
- Recusal of directors from motions that may have concerns of conflict of interests, shall specify the name of director, contents of motions, the reason for recuse, and the resolution of voting shall be stated : None

3. Evaluation implementation status of the Board of Directors :				
Evaluation cycle	Period	Scope	Method	Evaluation content
Implemented once a year	Evaluation of performance from January 1, 2025 to December 31, 2025	Board of Directors, Individual Board Members , Audit Committee and Remuneration Committee)	Internal self-evaluation by the Board of Directors, self-evaluation by the Board members and peer evaluation	1. Board of directors' performance evaluation (1) The degree of participation in the Company's operations. (2) Improvement in the quality of decision making by the board of directors. (3) The composition and Structure of the board of directors. (4) The election of the directors and their continuing education. (5) Internal controls. 2. Individual board members' performance evaluation (1) Understanding of the. Company's goals and missions. (2) Knowledge about director's duties. (3) The degree of participation in the Company's operations. (4) Internal relation building and communication. (5) Directors' professionalism and continuing education. (6) Internal controls. 3. Audit Committees' performance evaluation (1) The degree of participation. in the Company's operations. (2) Recognition of duties of the functional committees. (3) Improvement of the Decision-making quality of the functional committees. (4) Composition and appointment of

				members of the functional committees. (5) Internal controls. 4. Remuneration Committees' performance evaluation (1) The degree of participation. in the Company's operations. (2) Recognition of duties of the functional committees. (3) Improvement of the Decision-making quality of the functional committees. (4) Composition and appointment of members of the functional committees. (5) Internal controls. Evaluation result : (1) "2025 Board of Directors' Performance Self- Evaluation" scored 5 points with an overall average of 4.78 points. (2) "2025 Board Member Performance Self Evaluation" scored 5 points with an overall average of 4.94 points. (3) "2025 Audit Committees Performance Self Evaluation" scored 5 points with an overall average of 5 points. (4) "2025 Remuneration Committees Performance Self Evaluation" scored 5 points with an overall average of 5 points. The scores are achieved high and the overall operation is smooth.
4. To strengthen competency of the Board of Directors in current and recent years (e.g. to set up an Audit Committee, to enhance transparency of information, etc.) and assessment of implementation :				

The Company has stipulated the "Rules Governing Procedure of Board of Directors Meetings" in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" for compliance. And in accordance with the regulations, enter the attendance of directors at board meetings on the Market Observation Post System and disclose significant resolutions of the board of directors on the Company's website. And has established an audit committee and a remuneration committee as required by law, and the audit committee is composed of all independent directors. The remuneration committee is responsible for setting and regularly reviewing the policies, systems, standards and structures of annual and long-term performance goals and remuneration for directors and managers of the Company, and setting the content and amount of their individual remuneration and assisting the board of directors in performing its remuneration management functions.

(2) Audit Committee Operation Status

The Company's Audit Committee is composed of three independent directors. The purpose of the Audit Committee is to assist the Board in fulfilling its oversight of the quality and ethical of the Company's execution of accounting, auditing, financial reporting processes and financial controls. The official powers are :

1. To establish or amend the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
2. Evaluation of the effectiveness of the internal control system.
3. Adoption or amendment, pursuant to Article 36-1, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
4. A matter bearing on the personal interest of a director.
5. A material asset or derivatives transaction.
6. A material monetary loan, endorsement, or provision of guarantee.
7. The offering, issuance, or private placement of any equity-type securities.
8. The hiring or dismissal of an attesting CPA, or the compensation given thereto.
9. The appointment or discharge of a financial, accounting, or internal auditing officer.
10. Annual financial reports and second quarter financial reports that must be audited and attested by a CPA, which are signed or sealed by the chairperson, managerial officer, and accounting officer.
11. Any other material matter so required by the company or the Competent Authority.

Member	Professional Qualifications and Experience
Chen Yi-Ming	Over five years of working experience required for commercial, legal, finance, accounting or the Company's business. CPA of Deloitte & Touche, CPA of Guocheng Accounting Firm
Lee Wen-Fa	Over five years of working experience required for commercial, legal, finance, accounting or the Company's business. Deputy Director-general of National Taxation Bureau of Kaohsiung, Ministry of Finance
Lo Yu-San	Over five years of working experience required for commercial, legal, finance, accounting or the Company's business. Faith Certified Public Accountant & Co. Chairman, Faith Tax Consultancy Co., Ltd. Chairman.

The audit committee held 4 meetings during the most recent year. The attendance of the independent directors are as follows :

Title	Name	Attendance in Person	By Proxy	Attendance rate (%)	Remarks
Independent	Chen Yi-Ming	4	0	100	None

Director	Lee Wen-Fa	4	0	100	None
	Lo Yu-San	4	0	100	None

Other matters to be recorded :

1.Operation of the Audit Committee shall, if any of the following, specify date of meeting, period, contents of motions, resolution of Audit Committee and the Company's handling against opinions of Audit Committee. :

(1) The matters listed in Article 14-5 of the Securities Exchange Act. :

Date (Session)	Content of the motion	Objection or expression of reservation by an independent director or material recommendations	Resolution result	The company's handling of remuneration committee opinions
2025.3.12 (The 3rd Session of the 8th)	1. Report on the actual implementation of the internal audit annual audit plan. 2. Approved the appointment of the Company's CPA and independence. 3. 2024 Business Report and Financial Report. 4. 2024 Distribution of earnings 5. 2024 Distribution of cash dividends from earnings. 6. Approved a capital reduction by cash. 7. Approved the amendment of the "Articles of Incorporation". 8. 2025 Business Plan and Budget 9. Propose the "Statement of Internal Control System". 10. Evaluate the appointment of the Company's CPAs, their independence, and CPAs audit fees. 11. Deloitte & Touche CPAs' internal adjustments.	None	Approved by the Committee as a whole	Approved by a resolution of all directors present
2025.5.9 (The 3rd Session of the 9th)	1. Report on the actual implementation of the internal audit annual audit plan for Q1 of 2025 2. 2025 Q1 Consolidated Financial Statements	None	Approved by the Committee as a whole	Approved by a resolution of all directors present
2025.8.7 (The 3rd Session of the 10th)	1. Report on the actual implementation of the internal audit annual audit plan for Q2 of 2025. 2. 2025 Q2 Consolidated Financial Statements	None	Approved by the Committee as a whole	Approved by a resolution of all directors present
2025.11.12 (The 3rd Session of the 11th)	1. Report on the actual implementation of the internal audit annual audit plan for Q3 of 2025. 2. Approved the amendments to the written "Internal Control System - Payroll Disbursement Procedures (TMI-CW-109)"	None	Approved by the Committee as a whole	Approved by a resolution of all directors present

	3. Preparation of the 2025 Internal Audit Annual Audit Plan Report Form. 4. Approved the amendments to the “Sustainable Development Best Practice Principles”. 5. Approved the formulation of the “Corporate Value Enhancement Plan,” outlining specific measures to enhance corporate value. 6. Establishment of the “Regulations Governing the Appointment, Dismissal, Performance Evaluation, and Compensation of Internal Audit Personnel”.			
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(2) Except for the aforesaid matters, any matter that has not been passed by the audit committee, but has been adopted with the approval of two-thirds or more of all board directors. : None

2. If there is Independent Directors' avoidance of motions in conflict of interest, the Independent Directors' names, contents of motions, causes for avoidance and voting should be specified : None

3. Communications between the independent directors, the Company's Chief Internal Auditor and CPAs (including the items, methods and results of audits of corporate finance or operations, etc.) :

1. Communication between independent directors and CPAs

The independent directors and the CPA meet at least once a year. The CPA reports to the independent directors through the Audit Committee and the Board of Directors on the financial condition of the Company, the financial and overall operations of its domestic and overseas subsidiaries, and internal control audits, and fully communicates with them on whether there are any significant adjustments to the ledgers or amendments to the regulations that would affect the accounts. In the event of a material irregularity, a meeting may be held at any time to discuss the matter.

Date	Attendee	Item	Result
2025.03.12 (2024 Financial Statement Audit Conclusion)	Independent Director Chen Yi-Ming Independent Director Lee Wen-Fa Independent Director Lo Yu-San CPA Wu Chiu-Yen	1. Audit Scope and Approach. 2. CPA Independence. 3. Significant Accounting Policies, Significant Accounting Estimates, and Significant Events or Transactions 4. Significant Risks 5. Key Audit Matters 6. Management overstepping control risk audit 7. Other Communication Matters	The communication between the independent directors and CPA is in good condition and the relevant communication matters have been agreed.
2025.11.12 (2025 Financial Statement Audit Planning)	Independent Director Chen Yi-Ming Independent Director Lee Wen-Fa Independent Director Lo Yu-San CPA Wu Chiu-Yen	1. Governance Unit's Responsibility 2. Audit Scope and Approach 3. Group Audit 4. Significant Accounting Policies, Significant Accounting Estimates, and Significant Events or Transactions 5. Significant Risks and Key	The communication between the independent directors and CPAs is in good condition and the relevant communication matters have been agreed.

		Audit Matters 6. Assessment of Subsequent Operating Assumptions 7. Internal Control Deficiencies Identified in the Audit Process	
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2. Communication between independent directors and internal audit supervisor

The independent directors and the audit supervisor shall meet at least twice a year to report on the status of the implementation of the Company's internal audit and the operation of internal control. In the event of a material irregularity, a meeting may be held at any time to discuss the matter.

Date	Attendee	Item	Result
2025.03.12 (Audit Committee)	Independent Director Chen Yi-Ming Independent Director Lee Wen-Fa Independent Director Lo Yu-San Audit Supervisor Li Shu-Fen	1. Report on the implementation of the internal audit plan. 2. Propose the "Statement of Internal Control System".	Review and approve, and submit to the Board of Directors.
2025.5.9 (Audit Committee)	Independent Director Chen Yi-Ming Independent Director Lee Wen-Fa Independent Director Lo Yu-San Audit Supervisor Li Shu-Fen	Report on the implementation of audit plan for Q1 of 2025.	Review and approve, and submit to the Board of Directors.
2025.8.7 (Audit Committee)	Independent Director Chen Yi-Ming Independent Director Lee Wen-Fa Independent Director Lo Yu-San Audit Supervisor Li Shu-Fen	Report on the implementation of audit plan for Q2 of 2025.	Review and approve, and submit to the Board of Directors.
2025.11.12 (Audit Committee)	Independent Director Chen Yi-Ming Independent Director Lee Wen-Fa Independent Director Lo Yu-San Audit Supervisor Li Shu-Fen	1. Report on the implementation of audit plan for Q3 of 2025. 2. Revise written "Internal Control System - Payroll Disbursement Procedures (TMI-CW-109)" 3. Preparation of the 2026 Internal Audit Annual Audit Plan.	Review and approve, and submit to the Board of Directors.

(3) Corporate Governance Implementation Status and any difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and the reasons

Evaluation Item	Implementation Status			Any difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and the reasons
	Yes	No	Summary	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"?	✓		The company's "Corporate Governance Best-Practice Principles" was approved by the Board of Directors' Meeting on November 11, 2014, and was disclosed on the Market Observation Post System and the Company's website.	None
2. Shareholding structure & shareholders' rights				
(1) Does the company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?	✓		The Company has established "Procedures for Handling Material Inside Information" The company established a spokesperson and a deputy spokesperson to serve as a communication channel for the company's external opinions, and a stock affairs department to handle shareholders' issues.	None
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		The company keeps track of the shareholdings of directors, managers and major shareholders holding 10% or more of the shares, and reports the shareholdings of major shareholders on a regular basis.	None
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	✓		The Company has adopted the "Rules Governing Financial and Business Matters Between the Company and its Affiliates." The financial operations of the associates are independently operated and controlled by the Company. The audit supervisor also regularly audits whether the associates operate in accordance with the internal control system.	None
(4) Does the company establish internal rules against insiders trading with	✓		In order to maintain the fairness of the securities trading market, the Company has established the "Procedures for Handling Material	None

Evaluation Item	Implementation Status			Any difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and the reasons
	Yes	No	Summary	
undisclosed information?			Inside Information" and the "Ethical Corporate Management Best Practice Principles", and has made sure to educate insiders about the relevant laws and regulations and arranged for them to attend information sessions to prevent insider trading. In 2025, no insider was penalized by the competent authorities.	
3. Composition and Responsibilities of the Board of Directors (1) Has the Board of Directors established a diversification policy, specific management objectives and has it been implemented accordingly?	✓		1. The company's Corporate Governance Best Practice Principles, Article 20, has stipulated a diversified policy regarding the composition of the Board members. 2. In accordance with the company's Articles of incorporation, the company has nine directors, five of them are representatives of corporate shareholders, one is a juristic person director and three are independent directors. The representatives appointed by the corporate shareholders, juristic person director and the independent directors generally possess the knowledge, experience, skills and qualities necessary for the execution of their duties, and the duties and responsibilities of the Board of Directors are governed by the provisions of the company's Articles of incorporation. 3. The Board's policy on diversifying the composition of the Board is disclosed on the company's website and on the Market Observation Post System. The Board's professionalism, independence and implementation of diversity please refer to page 8~12.	None

Evaluation Item	Implementation Status			Any difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and the reasons
	Yes	No	Summary	
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	✓		The company has not established any functional committees other than the Remuneration Committee and the Audit Committee, and will evaluate the establishment of such committees in the future as necessary.	None
(3) Does the company establish a standard to measure the performance of the Board, implement it annually, report the results of the performance appraisal to the board of directors and apply the results for reference regarding individual directors' remuneration and re- appointments?	✓		The Company has established the "Rules for Performance Evaluation of Board of Directors" and the evaluation methods. The scope of the evaluation includes the performance evaluation of the Board of Directors as a whole, individual Board members and functional committees (Audit Committee and Remuneration Committee). The evaluation cycle shall be once a year and shall be completed before the end of the first quarter of the following year, and the methods of evaluation include internal self-evaluation by the Board of Directors, self-evaluation by Board members, peer evaluation, appointment of external professional institutions, experts or other appropriate methods. 2025 performance evaluation of the board of directors, individual board members and functional committees has been completed and the evaluation results will be submitted to the board of directors on March 13, 2026 and used as reference for individual directors' remuneration and nomination for reappointment. For the implementation of the Board of Directors' evaluation, please refer to pages 22~23.	None
(4) Does the company regularly evaluate the independence of CPAs	✓		The Company obtains the Audit Quality Indicators (AQIs) report provided by the CPA regularly every year in accordance with the regulations, and refers to the "Guidance for Audit Committees on	None

Evaluation Item	Implementation Status			Any difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and the reasons
	Yes	No	Summary	
			Interpreting the Audit Quality Indicators” and related regulations to evaluate the CPA's independence and suitability, obtains a statement of independence from the CPA, and submits the results to the Audit Committee and the Board of Directors. The results of the most recent evaluation were approved by the Audit Committee on March 13, 2026 and presented to the Board of Directors for approval on March 13, 2026. Please refer to pages 36~37 of this annual report for the "Evaluation of independence of CPAs".	
4. Has the TWSE/TPEX listed company been equipped with competent and appropriate numbers of corporate governance personnel, and designated a CGO responsible for corporate governance-related affairs (including but not limited to providing directors and supervisors with the information required for business execution, assisting directors and supervisors with legal compliance, handling matters related to board meetings and shareholders meetings in accordance with the law, and producing meeting minutes for board of directors meetings and shareholders meetings)?	✓		The company's board of directors meeting approved the establishment of a corporate governance officer on March 23, 2021, and concurrently by the finance & accounting department manager. The finance & accounting department is a concurrent corporate governance unit responsible for corporate governance-related matters, providing information necessary for directors to perform their duties, assisting directors in complying with laws and regulations, handling matters related to the board of directors' and shareholders' meetings in accordance with the law, registering companies and registering changes, and preparing minutes of the board of directors' and shareholders' meetings Implementation of the corporate governance affairs and status of continuing education, please refer to pages 38~39.	None
5. Does the company establish a communication channel and build a designated section on its website for involved parties (including but not limited	✓		1. The company established a spokesperson, a deputy spokesperson, a dedicated staff for stock affairs and a contact hotline on the company's website to handle various information announcements. 2. The Company's website has established a "Stakeholder Section"	None

Evaluation Item	Implementation Status			Any difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and the reasons
	Yes	No	Summary	
to shareholders, employees, customers and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?			(including but not limited to shareholders, employees, customers and suppliers, etc.) for communication related matters. 3. The company has a financial information section and a corporate governance section to allow stakeholders to understand the financial information and corporate governance related information that they are concerned about, and to understand the reasonable expectations and needs of stakeholders through appropriate communication, so that each stakeholder has sufficient information to make a judgment and respond appropriately to important CSR issues that they are concerned about.	
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The company has appointed stock affairs agency department of Taishin Securities stock transfer agency department to act on behalf of the company in all matters relating to the company's stock.	None
7. Information Disclosure (1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	✓		The company has set up a website to disclose financial operations and corporate governance information. The company's website is : www.tmicl.com.tw	None
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	✓		The company has set up a website in English and Chinese, and has designated dedicated staff to collect and disclose information, and has implemented a spokesperson system in accordance with the regulations, and the relevant information of the institutional investor conference is also posted on the company's website.	None

Evaluation Item	Implementation Status			Any difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and the reasons
	Yes	No	Summary	
(3) Does the Company announce and report the annual financial report as early as possible within two months after the end of the fiscal year, and announce and report the first, second and third quarter financial reports and the operating status of each month as early as possible before the required deadlines?		✓	The company currently reports its operations for each month in accordance with the "List of Matters Required to Be Handled by Issuers of Listed Securities" and announces and reports its financial statements for the first, second and third quarters well in advance of the prescribed deadlines. The company has not yet announced and reported the annual financial report within two months after the end of the fiscal year.	We will adjust the publication and report depending on the situation in the future.
8. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors?	✓		1. Employee rights : The company complies with the Labor Standards Act and related laws and regulations, and has established an employee welfare committee to handle various subsidies and activities for employees. Employee pension system is implemented, and the company also carries group insurance for employees. The company also emphasizes labor relations and holds quarterly labor meetings to coordinate labor relations. 2. Employee wellness : The company stresses on the neatness and cleanliness of the working environment and the safety of the employees. The company is equipped with security personnel, security systems and monitors at the main entrance, and the production facilities are equipped with cleaning facilities, AED protection devices and fire-fighting facilities to ensure the personal safety of the employees and regular employee health check-ups. 3. Investor relations : The company is required by law to honestly disclose information on the Market Observation Post System	None

Evaluation Item	Implementation Status			Any difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and the reasons
	Yes	No	Summary	
			(MOPS) to protect the investors' rights and interests, and the company's website provides investors' mailboxes and spokespersons' contact information to maintain a healthy and harmonious relationship between the company and its shareholders. 4. Supplier and financial institution relations : The company has maintained good relationships with suppliers and financial institutions, allowing the company to obtain better purchase prices and interest rates. 5. Directors continuing training records : Please see page 12~13 of the annual report. 6. the implementation of risk management policies and risk evaluation measures : The company has established the "Enterprise Background and Risk Analysis Management Process" in accordance with ISO to manage and evaluate various operational risks. 7. The implementation of customer relations policies : The company's delivery schedule and quantities of goods sold to customers are fulfilled in accordance with the contract. The company has established a "Customer Complaint Handling Procedure" to respond quickly to customer demands in order to maintain a stable and good relationship and to create profits for the company. 8. purchasing insurance for directors : The Company's board of directors approved liability insurance for directors and managers on November 12, 2025 to reduce and	

Evaluation Item		Implementation Status			Any difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and the reasons
		Yes	No	Summary	
				mitigate the risk of material damage to the company and shareholders due to the directors' misconduct or negligent acts.	
9. Please describe improvements in accordance with corporate governance assessment results issued by the Corporate Governance Center, TWSE in the most recent year, and provide priority emphasizes and action plans for items that have not yet improved					
Item	No.	Evaluation Indicators		Improvements and measures	
Improved items	4.14	Does the company disclose its supplier management policy on its website, annual report, or sustainability report, requiring suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor/human rights issues, and explain implementation status?		The Company has disclosed its supplier management policy on the company website.	
	4.21	Does the company assess risks or opportunities related to the community, adopt corresponding measures, and disclose those measures and implementation results on its website, annual report, or sustainability report?		The Company has disclosed its assessment of community-related risks and opportunities, corresponding response measures, and implementation results on the company website.	
Priority enhancements	2.6	Does the company's board of directors include at least one director of a different gender?		The Company plans to increase the number of female directors when the current Board's term expires this year (2026) through re-election.	
	2.22	Does the company have an audit committee or a functional committee at the board level (e.g., a risk management committee) to oversee risk management and establish risk management policies and procedures approved by the board of directors, to disclose the risk management organization structure, its procedures, and operations, and to report to the board of directors at least once a year?		The Company expects to complete the establishment of risk management policies and procedures in 2025.	

Thye Ming Industrial Co., Ltd.

Evaluation table of independence of CPAs

Evaluation period : 2025/01/01~2025/12/31

Appointed accounting firm : Deloitte & Touche

CPA name : Wu Chiu-Yen, Liu Yu-Shiang

Item	Yes	No
1. Financial Interests :		
(1) There is a "direct financial interest" with the Company.	☐	☒
(2) There is a " materiality indirect financial interests" with the Company.	☐	☒
(3) There is a " materiality financial interest" with another company over which the Company has control.	☐	☒
2. Loans and Guarantees :		
(1) Acquisition of financing or guarantees from financial institutions that do not have normal business practices.	☐	☒
(2) Acquisition of financing or guarantees from non-financial institutions.	☐	☒
(3) Financing or guarantee matters with non-financial institutions.	☐	☒
3. Close Business Relationships :		
(1) There is a close business relationship with the Company.	☐	☒
(2) There is a close business relationship with the directors, supervisors and managers of the Company.	☐	☒
4. Serving as a Director or Officer of an Audit Client :		
(1) The CPA is a director, supervisor, manager, or officer of the company, or has held a position of significant influence on the audit, currently or within the last two years.	☐	☒
(2) Serving as a director, supervisor, or manager of the Company, or in a position that has significant influence on the audit process.	☐	☒
(3) Served as a director, supervisor, or manager of the Company, or had significant influence on the audit during the audit period.	☐	☒
(4) Identify the director, supervisor, manager, or position that will have significant influence on the audit of the Company in future periods.	☐	☒
(5) Serving as a director and supervisor of the other company over which the Company has control.	☐	☒
(6) Serves as a director, supervisor, manager or an equivalent position for the Company.	☐	☒
(7) Employed by the Company for regular work and paid a fixed salary.	☐	☒
5. Any non-audit services to the Company :		
(1) Provide valuation services that are part of the Company's financial statements and that have a material impact and are highly subjective in nature.	☐	☒
(2) Provide the Company with valuation services that are not material to the Company or are not highly subjective in nature, although	☐	☒

they are part of the financial statements.		
(3) Provide bookkeeping services that do not meet the requirements of the Code of Ethics.	☐	■
(4) Assist in or perform internal audit services that are not in accordance with generally accepted auditing standards.	☐	■
(5) Assist or undertake internal audit services related to the company's operations.	☐	■
Temporary staffing services :		
(6) Assign internal staff to assist the company in performing work related to management decisions, approval or signing of contractual documents, and signing and managing financial approval of notes on behalf of the Company.	☐	■
(7) Assign internal staff to assist the company in performing work that are not related to management decisions, approval or signing of contractual documents, and signing and managing financial approval of notes on behalf of the Company.	☐	■
(8) Recruit senior management on behalf of the Company who have direct and significant influence on audit cases.	☐	■
(9) To market, advertise or trade stocks or other securities issued by audit clients for the Company.	☐	■
(10) Acting as the agent for the Company in transactions with third parties or committing to transaction terms.	☐	■
(11) As a medium for sourcing the funds required by the Company.	☐	■
6. Other items :		
(1) Receive gifts or presents of significant value from the company.	☐	■
(2) Receive gifts or presents of significant value from directors, supervisors, or managers of the company.	☐	■
(3) Request, contract or receive any remuneration other than those stipulated.	☐	■
(4) For five consecutive years, accept the company's appointment as the auditing accountant.	☐	■
(5) Purchase of personal property or real property managed for business purposes.	☐	■
(6) Using an accountant's position to compete improperly in the business sector.	☐	■
(7) Coordinate conflicts, defense or claims with other third parties on behalf of the company.	☐	■

Evaluation result ■ **Conformity** / □ **Nonconformity** Accountant Independence

Evaluation date : 2026/2/26

2025 Training courses of insider trading prevention

Training Course	Training Unit	Participant	Date	Hours	No. of people
Seminar for the Prevention of Insider Trading	The Company	Managers and department heads	4/18	3	24
2025 Seminar for the Prevention of Insider Trading	Securities & Futures Institute	Independent Director	5/2	3	1
2025 Seminar for the Prevention of Insider Trading	Securities & Futures Institute	Corporate governance officer, Director(Independent Director)	5/23	3	4
2025 Seminar for the Prevention of Insider Trading	The Company	Finance, accounting and audit staff	10/3	3	5
Prevention of Insider Trading	The Company	Director(Independent Director)	11/12	3	9
New Employee Education & Training	The Company	New Employee	4/21 8/20 10/15	9	13

1. The Company conducts education and publicity on the “Procedures for Handling Material Inside Information” and related laws and regulations at least once a year for directors, managers, and employees. We arrange education and publicity for new directors and managers within three months after taking office, while new employees are given education and publicity during the new employee education and training.
2. The Company reminds directors not to trade their stocks during the closure period of 30 days prior to the publication of the annual financial report and 15 days prior to the publication of the quarterly financial report at the annual training session on the prohibition of insider trading.
3. The Company notified all insiders via e-mail on February 10, April 22, July 23 and October 27, 2025 respectively, of the board meetings' dates and prohibition of trading of the Company's shares before the publication of the quarterly financial report, to prevent any inadvertent violation of this regulation.

Corporate Governance Officer

The Company's Board of Directors approved the establishment of a corporate governance officer on March 23, 2011, appointed concurrently by Tung Hsin Yuan, the manager of the Finance and Accounting Department. The Finance and Accounting Department is a concurrent corporate governance unit responsible for corporate governance-related matters, providing information necessary for directors to perform their duties, assisting directors in complying with laws and regulations, handling matters related to meetings of the Board of Directors and shareholders' meetings in accordance with the law, assisting directors in their appointment and continuing education, registering companies and registering changes, and preparing minutes of meetings of the Board of Directors and shareholders, etc.

Implementation of the corporate governance affairs for 2024

1. Handling of board, functional committee and shareholders' meeting related matters and preparation of minutes.

2. Assistance in the proceedings of the Board of Directors, functional committees and shareholders' meetings and the resolution in complying with laws and regulations.
3. To promote the achievement of corporate governance evaluation indicators
4. Arranging communication between the independent directors and the CPA and the internal audit supervisor
5. Report to the Board of Directors on directors' and officers' liability insurance matters
6. Conducting performance evaluations of the Board of Directors and functional committees
7. Assisting in the Inauguration of directors and continuing education courses Arranging continuing education courses for directors

Status of continuing education

No.	Organizer	Course	Date		Hours
			From	To	
1	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	2025/7/9	2025/7/9	6
2	Securities and Futures Institute	2025 Seminar for the Prevention of Insider Trading	2025/5/23	2025/5/23	3
3	Taiwan Academy of Banking and Finance	Corporate Governance Forum	2025/6/19	2025/6/19	3

(4) Composition, Responsibilities and Operations of the Remuneration Committee :

The company's Remuneration Committee meets at least twice a year to assist the Board of Directors in the implementation and evaluation of the company's overall remuneration and benefits policies, as well as the directors' and managers' remuneration. Its main responsibilities are to regularly review the performance evaluation standards, annual and long-term performance goals, and remuneration policies, systems, standards and structures of the Company's directors and managers.

1. Remuneration Committee Member Information

December 31, 2025

Criteria		Professional Qualification Requirements and Work Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member
Identification	Name			
Independent Director	Chen Yi-Ming	Please refer to pages 8~9 of this Annual Report - Information on Directors		0
Independent Director	Lee Wen-Fa			0
Independent Director	Lo Yu-San			0
Other	Su Kuo-Chen	Over five years of working experience required for commercial, legal, finance, accounting or the Company's business. Su Kuo-Chen Architects & Associates Principal Director	1. Not an employee of the Company or any of its affiliates. 2. Not a director or supervisor of the Company or any of its affiliates. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings.	0
Other	Zhang Ming-De	Over five years of working experience required for commercial, legal, finance, accounting or the Company's business. Chief-Secretary of National Taxation Bureau of Kaohsiung, Ministry of Finance	4. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding (2) 、(3) subparagraphs. 5. Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. 6. Not a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: a	0

Criteria		Professional Qualification Requirements and Work Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member
Identification	Name			
			director, supervisor, or employee of that other company. 7. Not the chairperson, general manager, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: a director (or governor), supervisor, or employee of that other company or institution. 8. Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 9. Not a professional individual who has provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the company in the past 2 years. 10. Not one of the circumstances stipulated in Article 30 of the Company Act.	

2. Remuneration Committee Operation Status

- (1) The Company's remuneration committee consists of five members.
- (2) The term of office of the current members : July 21, 2023 to June 8, 2026. The remuneration committee met 2 times (A) in the most recent year and as of the publication date of the annual report, and the qualifications and attendance of the members are as follows :

Title	Name	Number of actual attendance (B)	By proxy	Actual attendance rate (%) (B/A)	Remarks
Convener	Chen Yi-Ming	2	0	100	None
Member	Lee Wen-Fa	2	0	100	None
Member	Lo Yu-San	2	0	100	None
Member	Zhang Ming-De	2	0	100	None
Member	Su Kuo-Chen	2	0	100	None

Other matters to be recorded :

- 1.If the board of directors did not adopt or amend the suggestion of the remuneration committee, please indicate the date and session number of the board meeting, the contents of the motion, the result of the resolution and the company's handling of the suggestion of the remuneration committee (if the remuneration passed by the board is better than the suggestion of the remuneration committee, please state the difference and the reasons) : None
- 2.If any member had objections or reservations about the resolution of the remuneration committee and there is a record or a written statement, please indicate the date and session number of the remuneration committee meeting, the contents of the motion, all the opinions of the members and how the opinions were handled : None

- (3) Remuneration Committee's discussions and resolutions, and the company's handling of members' opinions

Remuneration Committee	Content of the motion and follow-up	Resolution result	The company's handling of remuneration committee opinions
The 6 th session of the fifth 2025.3.12	1.2025 Proposed method of paying employees' and directors' compensation. 2.Adjusting Compensation for Frontline Employees in Compliance with the Securities and Exchange Act.	Approved by the committee as a whole	Submitted to the board of directors and approved by all directors present
The 7 th session of the fifth 2025.11.12	1. 20245Manager's remuneration and all employees' year-end bonus payment principle 2. The Company's 2026 Salary Adjustment. 3. Amendments to the "Director and Manager Remuneration Policy". 4. Establishment of the "Regulations Governing the Appointment, Dismissal, Performance Evaluation, and Compensation of Internal Audit Personnel". 5. 2026 Director's travel fees for attending board meetings	Approved by the committee as a whole	Submitted to the board of directors and approved by all directors present

(5) The state of the company's promotion of sustainable development, any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation :

Promotion Item	Implementation Status			Any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation and reasons
	Yes	No	Summary	
1. Does the company establish corporate social responsibility frameworks and establish an exclusively (or concurrently) dedicated unit to be in charge, and the board of directors shall appoint executive-level positions and to report the status of the handling to the board of directors?	✓		1. The Company's Board of Directors approved the establishment of a Sustainable Development Promotion Team on November 12, 2024, with the General Manager serving as the convener, to review the Company's core operational capabilities with a number of department supervisors in different areas, to formulate a medium- and long-term sustainable development plan, and to report to the Board of Directors regularly on the implementation status of the Company's sustainable development. 2. The Company's Sustainable Development Promotion Team, with the General Manager as the convener and the General Manager Office as its implementation unit, oversees the implementation of the Sustainable Development Promotion Team. The Sustainable Development Promotion Team is responsible for the planning of sustainable environmental, social responsibility and corporate governance (ESG) related sustainability performance, the enforcement of standards, and the preparation of the ESG Sustainability Report, as well as the compilation of related information and reporting. 3. The promotion units and their responsibilities are as follows: (1) The “Environmental Sustainability” is promoted by the. Environmental & Hygiene Office, the Occupational Safety Office, and the Production Department. Responsibilities: Greenhouse gas emission data collection, energy management, water management, waste management,	None

Promotion Item	Implementation Status			Any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation and reasons
	Yes	No	Summary	
			climate management, fuel management, product lifecycle management, ... among others. (2) “Social Responsibility” is promoted by the Sales Department, Business Planning Department, Foreign Trade Department, Management Department, Occupational Safety Office, and Information Office. Responsibilities: Human Resource Development, Food Safety, Supply Chain Management, Product Quality and Safety, Community Relations, Cyber Security... among others. (3) “Corporate Governance” is promoted by the Management Department, Finance and Accounting Department, and Audit Office. Responsibilities: Board Governance Issues, Risk Management Policies, Functional Committees, Shareholding Control, Anti-competitive Conduct Lawsuits, Investor Communication... among others. 4. The Sustainable Development Promotion Team shall report to the Board of Directors on the implementation status at least once a year. The Company has established the Sustainable Development Promotion Team on November 12, 2024, and reported on its sustainability status to the Board of Directors on November 12, 2025.	
2. Does the Company conduct risk assessments of environmental, social, and corporate governance issues related to the Company’s operations in accordance with	✓		In accordance with ISO procedures, the Company periodically conducts risk assessment checklists on environmental, social and corporate governance issues related to the Company's operations, specifically as follows : Operation Plan Management Procedure	None

Promotion Item	Implementation Status			Any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation and reasons
	Yes	No	Summary	
the materiality principle, and formulate relevant risk management policies or strategies?			Checklist, Environmental Policy Management Procedure Checklist, Environmental Plan Management Procedure Checklist, Emergency Response Management Procedure Checklist, Compliance Obligation Identification Management Procedure Checklist, Management Responsibility Procedure Checklist, Employee Education and Training Procedure Checklist ... etc. After the procedures are reviewed, analyze the risks of management, distinguish the authority and responsibility units, measurement indicators, risks, knowledge and technology, and stakeholders, and establish risk control measures.	
3. Environmental issues				
(1) Does the company establish proper environmental management systems based on the characteristics of their industries?	✓		The company has passed ISO14001 (2015 version) certification of environmental system.	None
(2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	✓		The Company promotes various energy reduction measures, selects equipment with high energy efficiency and energy-saving design, reduces corporate and product energy consumption, and optimizes its energy use efficiency. Waste lead batteries cause a burden on the environment. The Company fulfills its corporate social responsibility by using waste lead batteries as one of the raw material sources. In 2023, the total recycled waste lead batteries accounted for 36.73% of the total recycled waste lead batteries in the country, and in 2024, the percentage was increased to 37.07%. This enables the reuse of business waste resources and reduces the impact on the environment.	None

Promotion Item	Implementation Status			Any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation and reasons
	Yes	No	Summary	
(3) Does the Company assess the potential risks and opportunities climate change brings to the Company, now and in the future, and take measures to respond to climate-related issues?	✓		In green manufacturing, we reduce the unnecessary waste of packaging materials and seek for recyclable packaging materials. Due to the shipping demand, we purchased 4,815 pieces of wooden pallets in 2020, and in order to reduce the impact on the environment, some of the shipping packaging materials were changed to recyclable plastic pallets. The wood pallet quantity purchased in 2024 was reduced to 3,558 (a 26% reduction), so the recycling and reuse of resources has reached a certain degree of effectiveness. In 2020, we did not carry out the recycling of used space bags; by 2025, we had recycled and reused 700 used space bags. Going forward, we will continue to increase the reuse rate of packaging materials to reduce resource consumption and waste generation. The Company has adopted the TCFD framework (Task Force on Climate-related Financial Disclosures) for assessing climate change risks and opportunities, which helps the Company to identify and disclose climate-related financial risks and opportunities, including: (1) Transitional risks: e.g. carbon levies or fee rate increases, changes in policies and regulations, changes in consumer preferences. (2) Physical risks: e.g. extreme weather events, water scarcity, supply chain disruptions. (3) Opportunities: e.g. development of green products, energy saving and emission reduction technologies, and new market development. Relevant Measures: (1) Setting carbon reduction targets and pathways.	None

Promotion Item	Implementation Status			Any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation and reasons												
	Yes	No	Summary													
(4) Has the Company compiled statistics on greenhouse gas emissions, water consumption, and total weight of waste in the past two years, and does it formulate policies on energy conservation and carbon reduction, greenhouse gas reduction, water consumption reduction, or other waste management?	✓		(2) Invest or issue green and sustainable bonds. (3) Adopt a circular economy model to extend the product lifespan and recycle. (4) Regularly disclose climate-related information to strengthen the trust of stakeholders. (5) Provide employees with climate risk education and training. <u>Greenhouse gas emissions for the most recent 2 years</u> (Scope 1 and Scope 2 are for the Company's entire factory) Unit: metric tons CO2/year <table><tr><th>Fiscal year</th><th>Scope 1</th><th>Scope 2</th><th>CO2 emissions per metric tons</th></tr><tr><td>2024</td><td>13,569</td><td>4,863</td><td>0.81 tons CO2</td></tr><tr><td>2025</td><td>12,300</td><td>4,556</td><td>0.84 tons CO2</td></tr></table> In accordance with the FSC's “Sustainability Roadmap,” the Company has calculated only Scope 1 and Scope 2 emissions. Using the ISO 14064-1:2018 standard and referencing the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6), it has calculated “the Company's 2025 Greenhouse Gas Data”. Trial calculation results: The greenhouse gas emissions of the whole plant in 2025 were 16,856 metric tons of CO2e/year, of which 12,300 metric tons of CO2e/year accounted for 71.75% of the total plant emissions in Scope 1 and 4,556 metric tons of CO2e/year accounted for 27.03% of the entire factory emissions in Scope 2. The Company is not required to report its emissions. The results of the preliminary calculation have been compiled into a greenhouse gas inventory report and inventory records, which will be retained	Fiscal year	Scope 1	Scope 2	CO2 emissions per metric tons	2024	13,569	4,863	0.81 tons CO2	2025	12,300	4,556	0.84 tons CO2	None
Fiscal year	Scope 1	Scope 2	CO2 emissions per metric tons													
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Promotion Item	Implementation Status			Any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation and reasons																																																
	Yes	No	Summary																																																	
			for inspection by the competent authority. Scope I Emission ratio by sources Unit: metric tons CO2/year <table><tr><th>Fiscal year</th><th></th><th>Stationary combustion</th><th>Mobile</th><th>Vapor</th><th>Manufacturing process</th><th>Total Emissions</th></tr><tr><td rowspan="2">2024</td><td>Greenhouse gas emissions (metric tons CO2/year)</td><td>13,338</td><td>206</td><td>23</td><td>1</td><td>13,569</td></tr><tr><td>Percentage of total emissions (%)</td><td>98.30</td><td>1.52</td><td>0.17</td><td>0.01</td><td>100.0</td></tr><tr><td rowspan="2">2025</td><td>Greenhouse gas emissions (metric tons CO2/year)</td><td>12,095</td><td>179</td><td>23</td><td>1</td><td>12,300</td></tr><tr><td>Percentage of total emissions (%)</td><td>98.33</td><td>1.46</td><td>0.19</td><td>0.01</td><td>100.0</td></tr></table> Wastewater discharge for the most recent 2 years (The data scope is the entire factory area of the company) Unit: metric tons/year <table><tr><th>Fiscal year</th><th>Tap water consumption</th><th>Volume of wastewater treatment</th></tr><tr><td>2024</td><td>29,150 m³</td><td>19,556.26 m³</td></tr><tr><td>2025</td><td>32,578 m³</td><td>19,282.02 m³</td></tr></table> The wastewater collected by the Company is treated by the wastewater treatment system under the responsibility of specialists to prevent pollution, and the wastewater is discharged into the combined wastewater treatment plant after treatment. Waste produced for the most recent 2 years (The data scope is the entire factory area of the company) Unit: metric tons/year <table><tr><th>Fiscal year</th><th>General industrial waste</th><th>Hazardous industrial waste</th></tr><tr><td></td><td></td><td></td></tr></table>	Fiscal year		Stationary combustion	Mobile	Vapor	Manufacturing process	Total Emissions	2024	Greenhouse gas emissions (metric tons CO2/year)	13,338	206	23	1	13,569	Percentage of total emissions (%)	98.30	1.52	0.17	0.01	100.0	2025	Greenhouse gas emissions (metric tons CO2/year)	12,095	179	23	1	12,300	Percentage of total emissions (%)	98.33	1.46	0.19	0.01	100.0	Fiscal year	Tap water consumption	Volume of wastewater treatment	2024	29,150 m³	19,556.26 m³	2025	32,578 m³	19,282.02 m³	Fiscal year	General industrial waste	Hazardous industrial waste				
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	Yes	No	Summary																									
			<table><tr><td>2024</td><td>52.570</td><td>518.040</td></tr><tr><td>2025</td><td>27.260</td><td>375.640</td></tr></table> According to the "Regulations for the Inspection and Record Management of Hazardous Industrial Waste", the Company conducts a sample inspection once every six months and the measured value is greater than the dissolution test standard (lead: 5.0 mg/L), so the Company determines that the industrial waste is a hazardous and toxic industrial waste. In accordance with the regulations, the Company appoints a qualified private waste clearance and disposal organization to remove and treat the waste on its behalf. The storage and removal treatment of the industrial waste is in accordance with the "Methods and Facilities Standards for the Storage, Clearance and Disposal of Industrial Waste" of the Environmental Protection Administration. <u>Greenhouse gas, water, other waste, and air quality reduction goals and policies</u> Promoting Energy Efficiency Policies To specify the energy efficiency of purchased equipment and prioritize the purchase of equipment with high energy efficiency. With 2024 as the base year, we aim to reduce electricity consumption by 5% in 2030. Energy used <table><tr><td>Year</td><td>Peak (kWh)</td><td>Semi-peak (kWh)</td><td>Off-peak (kWh)</td><td>Anthracite (MT)</td><td>Heavy oil (KL)</td></tr><tr><td>2024</td><td>4,549,600</td><td>871,600</td><td>4,838,000</td><td>1,155.54</td><td>3,015.17</td></tr><tr><td>2025</td><td>4,302,000</td><td>778,400</td><td>4,532,000</td><td>948.68</td><td>2,814.17</td></tr></table>	2024	52.570	518.040	2025	27.260	375.640	Year	Peak (kWh)	Semi-peak (kWh)	Off-peak (kWh)	Anthracite (MT)	Heavy oil (KL)	2024	4,549,600	871,600	4,838,000	1,155.54	3,015.17	2025	4,302,000	778,400	4,532,000	948.68	2,814.17	
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	Yes	No	Summary					
			Year	Liquefied Petroleum Gas (kg)	Natural gas (cubic meter)	Liquid Oxygen (Liters)	Diesel (Liters)	
			2024	2,440	209,499	26,420	74,587	
			2025	2,560	251,489	28,040	64,584	
			Water management and reduction targets To reduce the total amount of water used and discharged, we use treated wastewater in some of the production processes, which not only reduces the amount of water used, but also promotes the goal of recycling and reuse. In addition to regular testing of the quality of discharged water, raw materials are stored indoors to avoid the pollution of run-off wastewater caused by rainwater. On top of the factory building and around the factory area, there are rainwater pipes and gutters to collect rainwater and process it through two sets of wastewater treatment facilities, one for operational wastewater and the other for domestic sewage and surface runoff wastewater.					
			Waste management and reduction targets Actively promote the waste reduction plan, reduce the volume of waste by classifying waste, and promote the recycling of resources. Derivative wastes generated during the production process are categorized and stored according to their main components and characteristics. The Company stores, labels, and manages waste in accordance with the “Methods and Facilities Standards for the Storage, Clearance and Disposal of Industrial Waste”. Storage sites, containers, and facilities are kept clean and intact, and no waste may soar, disperse, leak, contaminate the ground, or emit foul odors. In					

Promotion Item	Implementation Status			Any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation and reasons
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			addition to regular testing of hazardous waste, outsourcing to qualified disposal company, tracking and recording the wastes at least once a year, and requesting the outsourced disposal company to provide proper disposal documents for the Company's reference. Air quality management methods and reduction targets To maintain the air pollution control equipment always in the best condition, in order to prevent air pollutants entering the air, the Company adopts the following measures to minimize pollution: (1) Regularly clean and maintain the air pollution control equipment's exhaust collection piping, hoods, extraction equipment, and other pollution control related facilities. (2) During the treatment process, pay more attention to the availability of air pollution prevention equipment. If any abnormalities occur, stop the process immediately and wait until the prevention equipment has been repaired and is in good working state, then start the process again. (3) Avoid metallic or non-metallic deposits on the gas collection and transportation pipeline, causing the pipeline to be blocked due to adhesion and sedimentation, which may affect the ability of gas transportation. Regularly inspect the gas collection and transportation pipeline to make sure that the pipeline is delivering properly, if motor abnormalities or abnormal vibration of the pipeline occurs, then immediately schedule repair. Air pollution generation and control The Company adopts the best available techniques to manage pollutant emissions. During the process of breaking and feeding	

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			waste lead-acid batteries, lead paste remains in a moist state. The transportation of lead paste is conducted in a fully enclosed system, ensuring no risk of dispersion. The battery crushing and separation process generates a small amount of acid mist, which is captured by local exhaust systems and treated through pollution control equipment before being released through designated emission points. Exhaust gases from the smelting process are fully enclosed and directed to backend control devices for treatment before emission. During the refining process, fumes are collected via hoods and conveyed to pollution control equipment before being discharged through emission points. In addition to regular maintenance of pollution control facilities, we conduct annual emissions testing to ensure effective monitoring and compliance with regulatory standards.	
4. Social issues				
(1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		The Company establishes "Personnel Rules" in accordance with Labor Standards Act to regulate the appointment and dismissal of employees, attendance, leave of absence, performance appraisals, salaries, compensations and bonuses to protect the legal rights of employees, Since a labor union has not been established, no collective agreement has been signed.	None
(2) Does the Company formulate and implement reasonable employee benefits measures (including compensation, leaves and other benefits), and appropriately reflect operational performance or	✓		<u>Employee welfare measures</u> The Company has established an Employee Welfare Committee. Over the past three years, we have allocated more than NT\$2.5 million annually to the committee's dedicated fund to plan and provide various employee benefits, including: health check-ups, training and education programs, company trips, three festivals	None

Promotion Item	Implementation Status			Any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation and reasons
	Yes	No	Summary	
achievement in employee compensation?			bonuses, birthday gifts, wedding gifts, funeral grants, Maternity benefits, work injury compensation, scholarships or grants for employees and their children. In addition to the standard two-day weekend policy, employees are entitled to the following paid leave: 3 days for those with 6 months to 1 year of service, 7 days for those with 1 to 2 years of service...and so on. Any unused paid leave at the end of the year is compensated to employees on a pro-rated basis. Employees may also apply for additional paid leave for personal or family needs, including: marriage leave, bereavement leave, maternity leave, pregnancy checkup leave, pregnancy checkup accompaniment and paternity leaves, menstrual leave or family care leave. Average non-managerial salaries were NT\$746,000 in 2024, and NT\$687,000 in 2025. In accordance with the Company's Articles of Incorporation, the Company shall allocate at least one percent of its net profit before taxes for the current period, prior to the deduction of employee compensation and directors' remuneration as employee compensation. Employee compensation accounted for 1.13% of net profit before taxes in both 2024 and 2025. <u>Workplace diversity and equality</u> The Company is committed to fostering diversity and equality in the workplace, ensuring equal pay for equal work and provide fair promotion opportunities for all employees, regardless of gender. As a metal manufacturing company, the nature of the industry results in a lower proportion of female employees. In 2025, female employees accounted for 12.6% of the total workforce. Female managers	

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	Yes	No	Summary	
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	✓		represented 6.67% of senior management and 0.7% of the total workforce. The Company emphasizes employee rights and welfare, pays employees' compensation and shares the business results with all employees, and maintains a good working environment, including the selection and recruitment of foreign employees, cultural integration, and health and safety, etc., and has set up breastfeeding rooms to implement a friendly workplace.... etc., allowing employees to work with peace of mind. The company has an industrial safety office, which is a special unit for labor safety and health management, and has amended a written "Labor Safety and Health Rules" to ensure the safety and health of employees in the workplace. The company's specific measures to protect the safety and health of employees include the installation of air pollution prevention equipment, water pollution prevention equipment, noise pollution prevention equipment and AED emergency shock equipment, and the posting of no-smoking signs in the workplace to remind employees that smoking is strictly prohibited in the workplace. We hold monthly environmental and safety meetings to review workplace safety facilities and measures. Additionally, we engage physicians to provide regular on-site health consultations for employees. Annually, we conduct routine health check-ups for all employees, followed by individual consultations with doctors. For employees identified as high-risk, e.g., those with hypertension, hyperglycemia, or hyperlipidemia, we provide abnormal value alerts, encourage self-health management, and establish a high-risk	None

Promotion Item	Implementation Status			Any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation and reasons
	Yes	No	Summary	
(4) Does the company provide its employees with career development and training sessions?	✓		case management system. Through on-site health services, we conduct health interviews and deliver personalized health education to assist in improving lifestyle habits. In 2025, there were no incidents of fire or occupational accidents involving employees. The company has set up a human resources system to ensure that we have a good grasp of our employees' expertise, character, qualifications, training, etc., so that employees can have a better understanding of themselves for the purpose of operational planning. Each unit will set up education and training based on annual work objectives and company policies. Education and training can be divided into pre-employment training, on-the-job training and long-term training. The management department will review and improve the training results for the next year's training plan.	None
(5) Does the Company comply with relevant laws, regulations and international standards with respect to customer health and safety, customer privacy, marketing and labeling of products and services, and develop relevant consumer interests protection policies and complaint procedures?	✓		The Company has established the marketing and standardization of products and services in accordance with ISO9001 and ISO/TS16949. In order to handle customer complaints promptly, understand the reasons for customer complaints, prevent the recurrence of complaints, improve the quality of the Company's products and services, and maintain the Company's reputation, the Company has established the "Procedures for Handling Customer Complaints". There were no customer complaint cases in 2025.	None
(6) Does the Company formulate a supplier management policy that	✓		The Company requires its suppliers to comply with the relevant laws and regulations on environmental protection, occupational	None

Promotion Item	Implementation Status			Any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation and reasons
	Yes	No	Summary	
requires suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and its implementation situation?			safety and health, or labor human rights issues in the contractual documents. If the contract is defaulted, a penalty of three percent of the contract amount per day will be imposed until improvement is made.	
5. Does the Company refer to internationally accepted reporting standards or guidelines when compiling the corporate social responsibility reports and other reports that disclose Company's non-financial information? Have the aforementioned reports been verified or certified by a third-party verification unit?	✓		The Company's Sustainability Report has been prepared in accordance with the Core option of the GRI Sustainability Reporting Standards 2021 (GRI Standards 2021) published by the Global Reporting Initiative (GRI). Additionally, the report has been prepared and disclosed in accordance with the Sustainability Accounting Standards Board (SASB) "Metals & Mining" sector within the "Extractives & Minerals Processing" domain, as well as the Task Force on Climate-related Financial Disclosures (TCFD). This Sustainability Report has not yet obtained assurance from a third-party verification body.	None
6. If the Company has established the corporate social responsibility principles based on the "Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies", please describe any deviation between the Principles and their implementation : The Company's Board of Directors approved the establishment of the "Corporate Social Responsibility Best Practice Principles" in November 2017, and then approved an amendment to the Principles by the Board of Directors in March 2020 to strengthen the implementation of CSR. In November 2024, to comply with the updated "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," it was amended to "Sustainable Development Best Practice Principles." We manage the Company's economic, environmental, and social risks and impacts under the Principles and improve the practices accordingly. No discrepancies have been observed up to now.				
7. Other important information to facilitate better understanding of the company's corporate social responsibility practices : (1) Environmental Protection 1. Passed ISO14001 (2015 version) certification of environmental system.				

Promotion Item	Implementation Status			Any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation and reasons
	Yes	No	Summary	
2.Resource reuse permit approved on August 15, 2023 by the Ministry of Economic Affairs Order No. 11251032581. 3.The competent authority recognized audit and certification institutions to conduct the audit and certification of business waste. 4.Disposal fees for hazardous business wastes of approximately NT\$13.71 million. 5.Air, sewage and soil pollution prevention costs are about NT\$3.71 million. 6.There are 3 Grade A wastewater treatment technicians, 1 Grade B wastewater treatment technicians, 3 Grade A air pollution prevention technicians, 5 Grade A waste treatment technicians, and 4 Grade B waste treatment technicians in the professional environmental protection skill establishment. 2 Grade A toxicity and chemical substances professional and technical management staffs. (2) Community Participation The company's directors and staff spend their leisure time actively participating in community affairs, specific achievements: assisted 85 economically disadvantaged families for a total of NT\$2.13 million, sponsored students' summer and winter camps NT\$440,000, donated NT\$150,000 in scholarships, donated NT\$130,000 to social welfare institutions, provided winter relief for NT\$68,000, sponsored NT\$300,000 of meal vouchers for students during winter and summer vacations, and sponsored NT\$200,000 of blood donations for public welfare and other social welfare activities NT\$170,000... etc. (3) Social Contribution 1.Income after tax of NT\$652.95 million and earnings per share after tax of NT\$4.26 for 2025, creates benefits for all shareholders. 2.Paid NT\$221.12 million in income tax for the year 2024, which generated tax revenue for the national treasury. 3.Create job opportunities and employ 143 employees, set up employee welfare committee to promote employees' rights and interests, harmonious labor relations, and no labor disputes so far. (4) Social services, social welfare 1. Provided Kaohsiung Blood Center with NT\$200,000 in prizes for blood donation activities. 2. Provided NT\$1,000,000 as student meal coupons for summer and winter vacations. 3. Sponsorship of GTM International Industrial and Academic Exchange Forum: NT\$300,000. (5) Consumer Rights The company's products are not sold directly to consumers. (6) Human Rights The employment of domestic or foreign employees is governed by the Labor Standards Act and related laws and regulations to protect the				

Promotion Item	Implementation Status			Any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation and reasons
	Yes	No	Summary	
domestic and foreign employees' human rights and interests: In 2025, no complaints were received from domestic or foreign employees that their rights were not protected.				
(7) Safety and hygiene				
1. Passed ISO 45001:2018 Occupational Safety and Health Management System Certification.				
2. In order to implement the safety and health policy, the Company has formulated the "Labor Safety and Health Rules". In order to clarify the authority and responsibility for safety and health, the environmental management and industrial safety units conduct weekly safety and health inspections, and have set up reward and punishment methods for encouragement and vigilance.				
3. Monthly environmental safety meetings are held regularly to review deficiencies and promote safety and health issues.				
4. Employees are required to wear safety and hygiene equipment in the factory, such as safety helmets, dust masks or face masks, fireproof gloves and safety shoes, etc.				
5. Regular fire drills are held in the factory and fire drills are held in cooperation with the local fire department.				
6. Periodically review the license of operating equipment for expiration and conduct external education and training.				
7. Implement annual employee health check-ups and increase check-up items for special operations personnel.				
8. Occupational safety and health professional skills establishment includes 53 fixed crane operators, 66 forklift operators, 28 Oxy-acetylene welding equipment operators, 10 high-pressure gas specific equipment operators, 21 lead operation supervisors, 3 specific chemical substance operation supervisors, 6 oxygen deficiency operation supervisor training, 1 high-pressure gas supply and consumption operation supervisors, 1 organic solvent operators, 4 Grade B labor safety and health officers, 7 Grade A labor safety and health business supervisors, 3 fire prevention personnel, 3 hazardous material management security inspectors, 2 hazardous material management security inspectors, 23 occupational disaster first responders trained and 11 aerial work platform operators.				
(8) Other social responsibility activities : None				

Implementation of Climate-related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	Although the Company has not established a Sustainability Committee, we have formed a Sustainable Development Promotion Team composed of the General Manager and department supervisors. The General Manager has assigned the General Manager Office to oversee climate-related projects, conducting regular climate risk assessments. The Sustainable Development Promotion Team reports to the Board of Directors at least once a year on climate change risk management strategies and responses to policy risks such as carbon fees and carbon credit trading. To respond to the ESG requirements of downstream customers, the Company implements carbon inventory management, discloses the financial impacts of climate risks, and reports carbon emission performance in the Sustainability Report. We actively participate in circular economy platforms or green supply chain initiatives to collectively enhance the resilience and green competitiveness of the overall industry.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	The Company assesses climate change-related physical risks and potential opportunities, categorized by their timeframes of impact as follows: Short-term (1-3 years) Operational: Rising volatility in energy and raw material costs, leading to increased production expenses. Implementation of carbon fees and GHG inventory requirements, need to strengthen the capacity of compliance and disclosure. Brand clients demanding carbon footprint disclosures from suppliers, potentially affecting order acquisition. Financial: Initial carbon inventory and equipment upgrades will increase capital expenditures. Carbon pricing mechanisms will drive up operational costs. Medium-term (3-10 years) Operational: Failure to actively reduce emissions may result in losing major clients or exclusion from green supply chains. Increased resource required for equipment upgrades and energy transition.

Item	Implementation status
	Growing low-carbon competition within the industry, accelerating process innovation and product development. Financial: Higher capital expenditures (e.g., high-efficiency furnaces, renewable energy investments). Rising carbon credit prices or carbon border adjustment mechanisms (e.g., CBAM) could significantly increase export costs. Opportunities for government subsidies or green financing (e.g., sustainability-linked loans, green bonds). Long-term (10+ years) Operational: Increasing climate extremes may disrupt supply chain stability (e.g., raw material shortages, logistics interruptions). Surging market demand for low-carbon materials and circular economy products, with early adopters gaining a competitive edge. Corporate reputation and ESG ratings will significantly influence investor and insurer decisions. Financial: Successful transition can improve profit margins, lower risk premiums, and attract long-term capital. Failure to transition may lead to asset impairments (e.g., stranded carbon-intensive assets), negatively impacting the balance sheet.
3. Describe the financial impact of extreme weather events and transformative actions.	Financial impacts of extreme weather events and transformative actions: (1) With the implementation of carbon fees and carbon credit trading mechanisms, companies will incur additional expenses for carbon emissions. Failure to adopt decarbonization measures will make carbon costs a significant expenditure item. (2) To comply with decarbonization policies and customer demands, investments in high-efficiency equipment (e.g., furnaces, energy-saving motors), renewable energy, carbon inventory systems, and information system will be required, leading to higher initial capital expenditures. (3) Non-compliance with downstream customers' or export markets' ESG standards may result in exclusion from green supply chains, negatively affecting revenue and profitability. (4) Poor ESG performance could lead to increased loan interest rates, disqualification from sustainability-linked loans or green bonds, and higher financing costs, ultimately impacting capital accessibility. (5) Traditional high-carbon equipment

Item	Implementation status
	may become obsolete or unusable in the future, leading to early retirement, asset impairments, and adverse effects on financial statements.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The Sustainable Development Promotion Team conducts regular identification of climate-related risks, including: Equipment damage and supply chain disruptions caused by extreme weather events. Carbon pricing policies, evolving customer ESG requirements, and costs associated with technological upgrades. The team evaluates the likelihood of occurrence, potential financial impact for each identified risk. These risks are then classified into high, medium, or low-risk categories using a risk matrix framework. All climate risk assessment results are integrated into the enterprise-wide risk management system, and are reviewed with financial, operational, and other business risks. The Sustainable Development Promotion Team regularly reports to the Board of Directors on the climate risk status and management results, to ensure that management grasps the dynamics of key risks.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	As of the date of publication of the Company's annual report, the identification of climate risks and opportunities has not yet been completed, therefore, the scenario analysis has not been used to assess the resilience to climate change risks, we will disclose the relevant information on the Company's website after completing relevant contents.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	As of the date of publication of the Company's annual report, the identification of climate risks and opportunities has not yet been completed, therefore, the transition plan for managing climate-related risks has not been completed, we will disclose the relevant information on the Company's website after completing relevant contents.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	As of the date of publication of the Company's annual report, internal carbon pricing is not used as a planning tool, therefore, not applicable.

Item	Implementation status
8.If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	As of the date of publication of the Company's annual report, we are not an entity that meets certain criteria, therefore, not applicable.
9.Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan.	Please refer to page 63 of this annual report.

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

1-1-1 Greenhouse Gas Inventory Information

Greenhouse Gas Inventory Information	2024		114 年 2025	
	Emission volume (metric tons CO2e)	Intensity (metric tons CO2e/NT\$ million)	Emission volume (metric tons CO2e)	Intensity (metric tons CO2e/NT\$ million)
Scope 1	13,569	2.4341	12,300	2.5076
Scope 2	4,863	0.8724	4,075	0.8308

1-1-2 Greenhouse Gas Assurance Information

Not a mandatory disclosure item for the current year.

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

Not a mandatory disclosure item for the current year.

(6) The state of the company's performance in the area of ethical corporate management, any deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation :

Evaluation Item	Implementation Status			Any deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation
	Yes	No	Summary	
1. Adoption of an ethical management policy and action plan				
(1) Has the company implemented a board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices as well as the commitment of the board of directors and the executive management to enforcement of the ethical corporate management policy?	✓		To fulfill its commitment to implementing its business policies, the Board of Directors adopted the "Ethical Corporate Management Best Practice Principles" on March 19, 2020. The company's ISO/TS16949 management system and the company's quality policy as revealed on our website are : 1. Honesty : To uphold the principle of integrity and treat each other with integrity to our customers. 2. Pragmatic : Be pragmatic in our dedication and demand for quality in all products. 3. Accurate : Each work process and step is controlled in accordance with the quality system.	None
(2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of the risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least those described in Article 7, Paragraph 2 of the Ethical Corporate	✓		The Company has established the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct". In addition, the personnel rules provide for sanctions against unethical behavior to prevent highly unethical behavior such as bribery or acceptance of a bribe.	None

Evaluation Item	Implementation Status			Any deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation
	Yes	No	Summary	
Management Best Practice Principles for TWSE/ GTSM Listed Companies? (3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against dishonest conducts, and enforce the programs effectively and perform regular reviews?	✓		The company has established the "Procedures for Ethical Management and Guidelines for Conduct" as a program to prevent unethical behavior. The Company's "Personnel Rules" stipulate penalties to prevent unethical behavior, and the education and training courses for new employees are reinforced, and regular reviews are conducted to amend the program in order to implement ethical management. In 2023, there was no violation of the “Procedures for Ethical Management and Guidelines for Conduct” by any of our employees.	None
2.Implementation of Ethical Management (1) Does the Company evaluate the records of ethical conduct of its business counterparties and include integrity clauses in its contracts with business counterparties?	✓		This is stated in the sale and purchase contract.	None
(2) Does the company have a unit that supports ethical corporate management practices on a full-time basis under the board of directors, and reports the ethical management policy and programs against unethical conduct regularly (at least once a year) to the board of directors and oversees the operations?	✓		The company's audit office is the concurrently unit to promote ethical corporate management and the supervisory unit of the Board of Directors' operation, regularly report to the board of directors on the implementation of the policy of ethical management and the prevention of unethical behavior. For the implementation status of ethical management, please refer to the Company's website.	None

Evaluation Item	Implementation Status			Any deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation
	Yes	No	Summary	
(3) Does the Company adopt a policy for avoiding conflicts of interest, provide appropriate means for reporting on any such conflict, and implement them without fail?	✓		The Company's "Regulations Governing Procedure for Board of Directors Meetings" has a policy of preventing conflicts of interest and providing appropriate reporting channels.	None
(4) Does the company have effective accounting and internal control systems in place to enforce ethical management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct or hire outside accountants to perform the audits?	✓		In order to implement the accounting system and internal control system for ethical management, the company has entrusted the external audit firm, Deloitte & Touche, and internally audited by the audit office of the company. The audit found no violation of ethical management best practice principles.	None
(5) Does the Company offer internal and external training with regard to ethical management on a regular basis?	✓		The company occasionally conducts internal education training on ethical management and sends its employees to attend the education training courses conducted by the Accounting Research and Development Foundation, please refer to page 38.	None
3. Status of the Company's implementation of its mechanism for whistle-blowing				
(1) Does the Company establish a mechanism that incentivizes informants to report any wrongdoing, put in place channels convenient for taking such action and assign appropriate personnel to handle such	✓		The "Procedures for Ethical Management and Guidelines for Conduct" clearly stipulate the establishment of dedicated personnel to manage reporting channels. These channels are available for employees, suppliers, and other external stakeholders to report any behavior that violates ethical management. Reports can be made to the supervisor of the respective unit, the audit supervisor, or the	None

Evaluation Item	Implementation Status			Any deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation																								
	Yes	No	Summary																									
cases?			management department supervisor. Additionally, reports can be submitted through the designated complaint mailbox. If the reported incident is verified and deemed true, appropriate rewards will be given to the whistleblower based on the severity of the case. <table><tr><th>Type</th><th>Accept Department</th><th>Email Address</th></tr><tr><td>Manager Misconduct</td><td>The Audit Committee</td><td>tansy@tmicl.com.tw</td></tr><tr><td>Corruption, Fraud, and Bribery</td><td>Audit supervisor</td><td>tansy@tmicl.com.tw</td></tr><tr><td rowspan="7">Other Violations of Conduct Guidelines</td><td>General Manager Office</td><td>kevintung@tmicl.com.tw</td></tr><tr><td>Management Department</td><td>jack@tmicl.com.tw</td></tr><tr><td>Sales Department</td><td>alvin@tmicl.com.tw</td></tr><tr><td>Business Planning Department</td><td>paul@tmicl.com.tw</td></tr><tr><td>Foreign Department</td><td>ian@tmicl.com.tw</td></tr><tr><td>Finance and Accounting Department</td><td>frank@tmicl.com.tw</td></tr><tr><td>Production Factory</td><td>jun@tmicl.com.tw</td></tr></table>	Type	Accept Department	Email Address	Manager Misconduct	The Audit Committee	tansy@tmicl.com.tw	Corruption, Fraud, and Bribery	Audit supervisor	tansy@tmicl.com.tw	Other Violations of Conduct Guidelines	General Manager Office	kevintung@tmicl.com.tw	Management Department	jack@tmicl.com.tw	Sales Department	alvin@tmicl.com.tw	Business Planning Department	paul@tmicl.com.tw	Foreign Department	ian@tmicl.com.tw	Finance and Accounting Department	frank@tmicl.com.tw	Production Factory	jun@tmicl.com.tw	
Type	Accept Department	Email Address																										
Manager Misconduct	The Audit Committee	tansy@tmicl.com.tw																										
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	Foreign Department	ian@tmicl.com.tw																										
	Finance and Accounting Department	frank@tmicl.com.tw																										
	Production Factory	jun@tmicl.com.tw																										
(2) Does the company have in place standard operating procedures for investigating reports and taking follow-up actions and the necessary confidentiality measures?	✓		When The company accepts a report, the whistleblower should provide at least the following information: 1. The whistleblower’s name and ID number (anonymous reporting is also allowed), as well as contact information such as address, phone number, and email. 2. The name of the person being reported or other information sufficient to identify the person. 3. Specific evidence that can be used for investigation.	None																								
(3) Does the Company adopt measures to make sure that informants do not receive improper treatment because of their report?	✓		The personnel handling the report should make a written statement to keep the whistleblower’s identity and the content of the report confidential. The company also promises to protect the whistleblower from any improper treatment due to the report.	None																								

Evaluation Item	Implementation Status			Any deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation
	Yes	No	Summary	
4. Improvement of information disclosure Does the Company disclose the content and implementation status of its Principles for Ethical Management on its own website and the TWSE's Market Observation Post System website?	✓		The company has announced the ethical management principles on the Market Observation Post System and disclosed them on the company's website.	None
5. If the company has established its own ethical corporate management principles based on the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe the company's implementation of the principles and any discrepancy therein and explain why : Not Applicable				
6. Other information to understand more about the company's ethical corporate management practice (For example, the company reviews and amends the ethical management principles) : The company's ISO/TS16949 management system helps to understand the operation of the company's ethical management and to review the effectiveness of the implementation every six months. The company formulated the "Ethical Management Principles" on November 11, 2014 and reviewed and amended in March 19, 2020.				

- (7) Other important information that would enhance the understanding of the implementation state of corporate governance shall be disclosed together with : None
- (8) Internal Control System Execution Status shall disclose the following items :
1. Statement of Internal Control : Please refer to page 110 for details.
 2. If an accountant is engaged to conduct a special audit of the company internal control system, the CPA's audit report shall be disclosed : None
- (9) Material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.
1. Material resolutions of the 2025 general shareholders' meeting and their implementation
 - (1) 2024 Business Report
 - (2) Audit Committee Audit Report
 - (3) Report on the distribution of the remuneration of employees and directors and supervisors in 2024.
Implementation status: All payments were completed by the end of 2025 according to the amount allocated.
 - (4) Report on the distribution of cash dividends from earnings for 2024.
Implementation status: The ex-dividend date was set on September 1, 2025, and was fully paid on September 15, 2025, as resolved by the board of directors. (Cash dividends of NT\$6 per share)
 - (5) 2024 Director's Remuneration Report.
 - (6) Approved 2024 Business Report and Financial Statements.
 - (7) Approved 2024 distribution of earnings.
 - (8) Approved a cash capital reduction.
Status: Approved by the Taiwan Stock Exchange on August 29, 2025; new shares were reissued on November 24, 2025; and share capital was refunded on November 26, 2025.
 - (9) Approved the amendment to the "Articles of Incorporation."
Status: Approved by the Ministry of Economic Affairs on July 21, 2025, and the amendment registration was completed.
 2. Material resolutions of the board of directors

Date	Resolution
2025.3.12	(1) Approved 2024 employee and director compensation payment method. (Proposed by the Remuneration Committee) (2) Approved the Adjustment of Compensation for Frontline Employees in Compliance with the Securities and Exchange Act. (3) Approved 2024 Business Report and Financial Report. (4) Approved 2024 distribution of earnings. (5) Approved 2024 distribution of cash dividends from earnings. (6) Approved a cash capital reduction. (7) Approved the amendment to the "Articles of Incorporation." (8) Approved 2025 Business Plan and Budget. (9) Approved the "Statement of Internal Control System". (10) Approved the appointment of the Company's CPA, independence and accountants' fees (11) Approved the replacement of CPA due to internal adjustment of Deloitte & Touche. (12) Approved the short-term credit line application from the bank. (13) Approved to convene the 2025 General Shareholders' Meeting.
2025.5.9	(1) 2025 Q1 Consolidated Financial Statements. (2) Approved the short-term credit line application from the bank.
2025.8.7	(1) 2025 Q2 Consolidated Financial Statements.

	(2) Approved the setting of the ex-dividend date and the distribution of cash dividends for 2025. (3) Approved the implementation results of the Company's 2024 Sustainability Report. (4) Approved the short-term credit line application from the bank.
2025.11.12	(1) Approved the principles for the distribution of 2025 manager bonuses and year-end bonuses for all employees (proposed by the Remuneration Committee) (2) Approved the Company's 2026 Salary Adjustment. (3) Approved the amendments to the "Director and Manager Remuneration Policy". (4) Approved the establishment of the "Regulations Governing the Appointment, Dismissal, Performance Evaluation, and Compensation of Internal Audit Personnel". (5) Approved 2026 annual directors' travel fees for attending board meetings. (Proposed by the Remuneration Committee) (6) Approved the amendments to the written "Internal Control System - Payroll Disbursement Procedures (TMI-CW-109)". (7) Approved the preparation of the 2025 Internal Audit Annual Audit Plan Report Form. (8) Approved the amendments to the "Sustainable Development Best Practice Principles". (9) Approved the formulation of the "Corporate Value Enhancement Plan," outlining specific measures to enhance corporate value. (10) 2025 Q3 Consolidated Financial Statements. (11) Approved the short-term credit line application from the bank. (12) Approved the purchase of directors' and managers' liability insurance.
2026.3.13	(1) Approved 2025 employee and director compensation payment method. (Proposed by the Remuneration Committee) (2) Approved 2025 Business Report and Financial Statements. (3) Approved 2025 distribution of earnings. (4) Approved 2025 distribution of cash dividends from earnings. (5) Approved 2026 Business Plan and Budget. (6) Approved the "Statement of Internal Control System". (7) Approved the appointment of the Company's CPA and independence. (8) Approved the short-term credit line application from the bank. (9) Approved the re-election of directors. (10) Approved to convene the 2026 General Shareholders' Meeting.

(10)Dissenting or qualified opinion of Directors (including independent directors) against an important resolution passed by the Board of Directors that is on record or stated in a written statement in the past year and up to the date of report : None

4. Information on CPA fees :

Unit: Thousand NT\$

Accounting Firm	CPA name	Audit Period	Audit Fee	Non-Audit Fees	Total	Note
Deloitte & Touche	Wu Chiu-Yen	2025/1/1 ~	4,560	248	4,808	—
	Liu Yu-Shiang	2025/12/31				

- (1) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed. : None
- (2) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed. : None.
- (3) Tax consulting: NT\$35 thousand, Business registration: NT\$40 thousand, Cash capital reduction service fees: NT\$100 thousand, Others: NT\$73 thousand.

5. Information on Replacement of CPAs :

(1) Former CPA :

Date of change	Reported to the Board of Directors for discussion and approved on March 12, 2025, to replace the CPAs since the first quarter of 2025.		
Reason of change	In coordination with the internal rotation of the CPA firm to replace the CPAs.		
Specify whether services/engagement were terminated/refused	Parties	CPA	Company
	Conditions		
	Proactive termination of service	Not applicable	Not applicable
	Refusal of new mandate	Not applicable	Not applicable
Has any audit opinion, other than an unqualified opinion, been issued in the past two years? If yes, cite reasons.	None		
Disagreement with securities issuer	Yes		Accounting principles and practices
			Disclosure of financial statements
			Audit scope or procedures
			Other
	No	✓	
	Explanation : Not applicable		
Other disclosure items (Items that shall be disclosed according to Article 20-2, Subparagraph 2, Items 1-4 of these standards)	None		

(2) Current CPA :

Accounting Firm	Deloitte & Touche
CPA name	Wu Chiu-Yen , Liu Yu-Shiang
Date of engagement	Reported to the Board of Directors for discussion and approved on March 12, 2025, to replace the CPAs since the first quarter of 2025.
Results of consultations with the CPA on accounting measures and principles that might influence his/her opinion prior to his/her engagement	None
The incumbent CPA issued any dissenting opinion on opinions issued by the previous CPA	None

(3) Reply of former CPA to item 6-1 and item 6-2-3, article 10 of the criteria : None.

6. The Employment of the Company's Chairman, General Manager, Financial or Accounting Manager with the Auditing CPA Firm or Its Affiliated Businesses in the Past Year : None.

7. Particulars about Changes in Shareholding and Share Pledge of Directors, Managers and Shareholders Holding More than 10% of the Company's Shares in the Past Year and as of the Date of Publication of the Annual Report

(1) Changes in shareholding of directors, managers and major shareholders

Title	Name	2025		As of April 19, 2026	
		Shareholding increase (decrease)	Pledged shareholding increase (decrease)	Shareholding increase (decrease)	Pledged shareholding increase (decrease)
Chairman	Tai Yung Investment Co., Ltd. Representative : Chen Li-Ming	(2,659,000) 0	0 0	0 0	0 0
Director	Chen hang-Hao	(708,942)	0	(9,000)	0
Director	Tai Lin Investment Co., Ltd. Representative : Chen Chi-Lin Chou Chung -Fa	(7,907,206) 0 0	0 0 0	0 0 0	0 0 0
Director	Jin Jun Investment Co., Ltd. Representative : Chen Han-Wen	(2,600,443) (24)	0 0	10,000 0	0 0
Director	Mao Shen investment Co., Ltd. Representative : Lee Mao-Shen	(3,290,079) 0	0 0	95,000 0	0 0
Independent Director	Chen Yi-Ming	0	0	0	0
Independent Director	Lee Wen-Fa	(5,410)	0	0	0
Independent Director	Lo Yu-San	(1,415)	0	0	0
General Manager	Lee Mao-Shen	0	0	0	0
General Manager's Office Manager	Dong Nai-Jia	0	0	0	0
Management Department Manager	Wu Jung-Shun	0	0	0	0
Business Planning Department Manager	Cheng Jung-Pao	0	0	0	0
Foreign Trade Department Manager	Chen Yan-Hong	0	0	0	0
Production Department Manager	Chen Chao-Jun	0	0	0	0
Sales Department Manager	Chen Jun-Cheng	0	0	0	0
Finance & Accounting Department Manager	Tung Hsin-Yuan	0	0	0	0
Major Shareholder	Tai Lin Investment Co., Ltd.	(7,907,206)	0	0	0
Major Shareholder	Mao Shen investment Co., Ltd.	(3,290,079)	0	0	0

Note: Shareholding increase (decrease) for 2025 includes shares reduced as a result of capital reduction.

(2) Equity interests transfer information : None

(3) Pledged equity interests information : None

8. Relationship information, if among the company's 10 largest shareholders any one is a related party or a spouse, or a relative within the second degree of kinship of another

April 19, 2026, Unit : shares

Name	Current shareholding		Spouse's, Minor's shareholding		Total shares held in the names of others		Name and relationship between the company's top ten shareholders under SFAS No. 6, or spouses or relatives within the second degree of kinship		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relation	
Tai Lin Investment Co., Ltd. Representative : Chen, Chang-Hao	20,052,707	16.71%	0	0	0	0	Thye Wei Biotech Co., Ltd. Tai Yung Investment Co., Ltd. Tai Ying Investment Co., Ltd.	Same Chairman	—
Mao Shen Investment Co., Ltd. Representative : Lee, Mao-Shen	14,128,277	11.77%	0	0	0	0	Jin Jun Investment Co., Ltd.	Company in which the chairman of the company is a second degree relative	—
Jin Jun Investment Co., Ltd. Representative : Lee, Jun-Xian	8,300,000	6.92%	0	0	0	0	Mao Shen Investment Co., Ltd.	Company in which the chairman of the company is a second degree relative	—
Thye Wei Biotech Co., Ltd. Representative : Chen, Chang-Hao	6,754,541	5.63%	0	0	0	0	Tai Lin Investment Co., Ltd. Tai Yung Investment Co., Ltd. Tai Ying Investment Co., Ltd.	Same Chairman	—
Tai Yung Investment Co., Ltd. Representative : Chen, Chang-Hao	6,743,232	5.62%	0	0	0	0	Tai Lin Investment Co., Ltd. Thye Wei Biotech Co., Ltd. Tai Ying Investment Co., Ltd.	Same Chairman	—
Tai Ying Investment Co., Ltd. Representative : Chen, Chang-Hao	3,859,262	3.22%	0	0	0	0	Tai Lin Investment Co., Ltd. Thye Wei Biotech Co., Ltd. Tai Yung Investment Co., Ltd.	Same Chairman	—
SinoPac Securities is entrusted with custody for clients of SinoPac Securities (Asia) Limited under the SinoPac (Asia) Nominee arrangement	3,377,820	2.81%	0	0	0	0	—	—	—
Yu, Cheng-Hsiu	934,633	0.78%	0	0	0	0	—	—	—

Name	Current shareholding		Spouse's, Minor's shareholding		Total shares held in the names of others		Name and relationship between the company's top ten shareholders under SFAS No. 6, or spouses or relatives within the second degree of kinship		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relation	
Chen, Mei-Tan	884,087	0.74%	0	0	0	0	Tai Lin Investment Co., Ltd. Thye Wei Biotech Co., Ltd. Tai Yung Investment Co., Ltd. Tai Ying Investment Co., Ltd.	Second degree relative of this company	—
Wu, Shu-Chuan	827,357	0.69%	0	0	0	0	—	—	—

9. The total number of shares and total equity stake held in any single enterprise by the company, its directors, supervisor and managerial officers, and any companies controlled either directly or indirectly by the company

Unit : Shares, % As of December 31, 2025

Affiliated Enterprises (Note)	Ownership by the Company		Direct or Indirect Ownership by Directors, Supervisors, Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
Thye Wey Industrial Co., Ltd.	8,800,000	88.00%	1,200,000	12.00%	10,000,000	100.00%
Thye Ming Industrial (Samoa)	30,000,000	100.00%	0	0	30,000,000	100.00%

Note : The Company's investments are accounted for using the equity method.

III.Capital Raising Activities

1. Capital and Shares

(1) Source of capital

1. Type of shares

As of April 19, 2026

Type of shares	Authorized Capital			Remark
	Issued shares	Unissued shares	Total	
Common stock	120,000,000	190,000,000	310,000,000	Listed shares

2. The process of capital formation

Unit : NT\$, shares

Date	Par value	Authorized capital		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	In a form other than cash	Other
1983.02	10	100,000	1,000,000	100,000	1,000,000	Note (1)	None	—
1986.07	10	1,900,000	19,000,000	1,900,000	19,000,000	Note (2)	None	—
1987.03	10	3,100,000	31,000,000	3,100,000	31,000,000	Note (3)	None	—
1988.01	10	3,800,000	38,000,000	3,800,000	38,000,000	Note (4)	None	—
1988.06	10	5,000,000	50,000,000	5,000,000	50,000,000	Note (5)	None	—
1989.08	10	10,000,000	100,000,000	10,000,000	100,000,000	Note (6)	None	—
1990.08	10	19,000,000	190,000,000	19,000,000	190,000,000	Note (7)	None	—
1991.09	10	19,000,000	190,000,000	19,000,000	190,000,000	Note (8)	None	—
1991.12	10	12,000,000	120,000,000	12,000,000	120,000,000	Note (9)	None	—
1991.12	10	19,000,000	190,000,000	19,000,000	190,000,000	Note (10)	None	—
1992.12	10	41,000,000	410,000,000	41,000,000	410,000,000	Note (11)	None	—
1995.09	10	45,100,000	451,000,000	45,100,000	451,000,000	Note (12)	None	—
1996.09	10	54,120,000	541,200,000	54,120,000	541,200,000	Note (13)	None	—
1997.09	10	100,000,000	1,000,000,000	67,650,000	676,500,000	Note (14)	None	—
1998.09	10	100,000,000	1,000,000,000	81,180,000	811,800,000	Note (15)	None	—
1999.07	10	100,000,000	1,000,000,000	93,357,000	933,570,000	Note (16)	None	—
2000.10	10	149,000,000	1,490,000,000	107,360,550	1,073,605,500	Note (17)	None	—
2001.10	10	149,000,000	1,490,000,000	112,728,577	1,127,285,770	Note (18)	None	—
2002.10	10	149,000,000	1,490,000,000	124,001,434	1,240,014,340	Note (19)	None	—
2003.10	10	149,000,000	1,490,000,000	136,401,577	1,364,015,770	Note (20)	None	—
2004.11	10	153,000,000	1,530,000,000	150,041,734	1,500,417,340	Note (21)	None	—
2008.02	10	168,000,000	1,680,000,000	152,818,347	1,528,183,470	Note (22)	None	—
2008.05	10	168,000,000	1,680,000,000	159,778,088	1,597,780,880	Note (23)	None	—
2008.08	10	168,000,000	1,680,000,000	162,160,374	1,621,603,740	Note (24)	None	—
2008.09	10	210,000,000	2,100,000,000	169,801,291	1,698,012,910	Note (25)	None	—
2009.10	10	210,000,000	2,100,000,000	174,910,772	1,749,107,720	Note (26)	None	—
2010.01	10	210,000,000	2,100,000,000	182,807,611	1,828,076,110	Note (27)	None	—
2010.04	10	210,000,000	2,100,000,000	182,862,592	1,828,625,920	Note (28)	None	—
2010.07	10	210,000,000	2,100,000,000	182,883,209	1,828,832,090	Note (29)	None	—
2010.09	10	210,000,000	2,100,000,000	192,023,589	1,920,235,890	Note (30)	None	—
2010.10	10	210,000,000	2,100,000,000	192,078,490	1,920,784,900	Note (31)	None	—
2011.08	10	210,000,000	2,100,000,000	200,905,918	2,009,059,180	Note (32)	None	—
2011.09	10	210,000,000	2,100,000,000	204,046,993	2,040,469,930	Note (33)	None	—
2013.10	10	210,000,000	2,100,000,000	209,148,167	2,091,481,670	Note (34)	None	—
2021.09	10	310,000,000	3,100,000,000	167,318,534	1,673,185,340	Note (35)	None	—
2025.08	10	310,000,000	3,100,000,000	120,000,000	1,200,000,000	Note (36)	None	—

Note :

- (1) Feb. 1983 raised and established in Feb. 19, 1983, Kaohsiung City Construction II No. 73214.
- (2) August 1986 Cash capital increase of NT\$18,000,000 on August 11, 1983, by letter No. Kaohsiung City Construction II No. 94424.
- (3) April 1987, the Ministry of Economic Affairs on April 28, 1987 approved a cash capital increase of NT\$12,000,000 by letter No. Economic (87) Commercial 19559.

- (4) March 1988, the Ministry of Economic Affairs (MOEA) on March 7, 1988 approved a cash capital increase of NT\$7,000,000 by letter No. Economic (88) Commercial 06171.
- (5) July 1988, the Ministry of Economic Affairs on July 18, 1988 approved a cash capital increase of NT\$12,000,000 by letter No. Economic (88) Commercial 20641.
- (6) October 1989, the Ministry of Economic Affairs on October 23, 1989 approved a cash capital increase of NT\$50,000,000 by letter No. Economic (89) Commercial 128505.
- (7) October 1990, the Ministry of Economic Affairs on October 24, 1990 approved a cash capital increase of NT\$50,000,000 by Economic (90) Commercial No. 119355.
- (8) November 1991, the Ministry of Economic Affairs on November 25, 1991 approved a cash capital increase of NT\$40,000,000 by letter No. Economic (91) Commercial 125358.
- (9) January 1992, the Ministry of Economic Affairs on January 31, 1992 approved to make up for the loss by reducing capital of NT\$70,000,000 by letter No. Economic (92) Commercial 100130.
- (10) January 1992, the Ministry of Economic Affairs on January 31, 1992 approved a cash capital increase of NT\$70,000,000 by letter No. Economic (92) Commercial 100130.
- (11) October 1992, the Securities and Futures Commission, Ministry of Finance on October 28, 1992 approved a cash capital increase of NT\$220,000,000 by (92) letter No. Taiwan-Finance-Securities (I) 02792.
- (12) June 1995, the Securities and Futures Commission, Ministry of Finance on June 30, 1995 approved the transfer of capital from earnings to capital of NT\$35,970,221 and capital reserve to capital of NT\$5,029,779, with a par value of NT\$10 per share, for a total of issuance of 41,000,000 new shares by (95) letter No. Taiwan-Finance-Securities (I) 38700.
- (13) June 1996, the Securities and Futures Commission, Ministry of Finance on June 27, 1996 approved the transfer of capital from earnings to capital of NT\$85,170,221 and capital reserve to capital of NT\$5,029,779, with a par value of NT\$10 per share, for a total of issuance of 90,200,000 new shares by (96) letter No. Taiwan-Finance-Securities (I) 4031.
- (14) July 1997, the Securities and Futures Commission, Ministry of Finance on July 3, 1997 approved the transfer of capital from earnings to capital of NT\$130,270,221 and capital reserve to capital of NT\$5,029,779, with a par value of NT\$10 per share, for a total of issuance of 135,300,000 new shares by (97) letter No. Taiwan-Finance-Securities (I) 52800.
- (15) July 1998, the Securities and Futures Commission, Ministry of Finance on July 10, 1998 approved the transfer of capital from earnings to capital of NT\$129,820,247 and capital reserve to capital of NT\$5,479,753, with a par value of NT\$10 per share, for a total of issuance of 135,300,000 new shares by (98) letter No. Taiwan-Finance-Securities (I) 58887.
- (16) May 1999, the Securities and Futures Commission, Ministry of Finance on May 26, 1999 approved the transfer of capital from earnings to capital of NT\$116,575,723 and capital reserve to capital of NT\$5,194,277, with a par value of NT\$10 per share, for a total of issuance of 121,470,000 new shares by (99) letter No. Taiwan-Finance-Securities (I) 49010.
- (17) August 2000, the Securities and Futures Commission, Ministry of Finance on August 21, 2000 approved the transfer of capital from earnings to capital of NT\$137,256,533 and capital reserve to capital of NT\$2,778,967, with a par value of NT\$10 per share, for a total of issuance of 140,035,500 new shares by (2000) letter No. Taiwan-Finance-Securities (I) 71159.
- (18) August 2001, the Securities and Futures Commission, Ministry of Finance on August 9, 2001 approved the transfer of capital from earnings to capital of NT\$50,946,231 and capital reserve to capital of NT\$2,734,039, with a par value of NT\$10 per share, for a total of issuance of 53,680,270 new shares by (2001) letter No. Taiwan-Finance-Securities (I) 150553.
- (19) August 2002, the Securities and Futures Commission, Ministry of Finance on August 7, 2002 approved the transfer of capital from earnings to capital of NT\$112,728,570, with a par value of NT\$10 per share, for a total of issuance of 11,272,857 new shares by letter No. Taiwan-Finance-Securities (I) 0910143884.
- (20) August 2003, the Securities and Futures Commission, Ministry of Finance on August 4, 2003 approved the transfer of capital from earnings to capital of NT\$124,001,430, with a par value of NT\$10 per share, for a total of issuance of 12,400,143 new shares by letter No. Taiwan-Finance-Securities (I) 092013505.
- (21) July 2004, the Financial Supervisory Commission of the Executive Yuan on July 16, 2004 approved the transfer of capital from earnings to capital of NT\$136,401,570, with a par value of NT\$10 per share, for a total of issuance of 13,640,157 new shares by letter No. Financial-Supervisory-Securities (I) 0930131770.
- (22) February 2008, the Ministry of Economic Affairs on February 20, 2008 approved the conversion of convertible bonds for NT\$27,766,130, with a par value of NT\$10 per share, for a total of issuance of 2,776,613 new shares by letter No. Economic Approval 09701043010.
- (23) May 2008, the Ministry of Economic Affairs on May 5, 2008 approved the conversion of convertible bonds for NT\$69,597,410, with a par value of NT\$10 per share, for a total of issuance of 6,959,741 new shares by letter No. Economic Approval 09701104030.
- (24) August 2008, the Ministry of Economic Affairs on August 4, 2008 approved the conversion of convertible bonds for NT\$23,822,860, with a par value of NT\$10 per share, for a total of issuance of 2,382,286 new shares by letter No. Economic Approval 09701104030.

- (25) July 2008, the Financial Supervisory Commission of the Executive Yuan on July 31, 2008 approved the transfer of capital from earnings to capital of NT\$76,409,170, with a par value of NT\$10 per share, for a total of issuance of 7,640,917 new shares by letter No. Financial-Supervisory-Securities (I) 0970038512.
- (26) October 2009, the Ministry of Economic Affairs on October 24, 2009 approved the conversion of convertible bonds for NT\$51,094,810, with a par value of NT\$10 per share, for a total of issuance of 5,109,481 new shares by letter No. Economic Approval 09801243440.
- (27) January 2010, the Ministry of Economic Affairs on January 26, 2010 approved the conversion of convertible bonds for NT\$78,968,390, with a par value of NT\$10 per share, for a total of issuance of 7,896,839 new shares by letter No. Economic Approval 09901017830.
- (28) April 2010, the Ministry of Economic Affairs on April 27, 2010 approved the conversion of convertible bonds for NT\$549,810, with a par value of NT\$10 per share, for a total of issuance of 54,981 new shares by letter No. Economic Approval 09901083710.
- (29) July 2010, the Ministry of Economic Affairs on July 20, 2010 approved the conversion of convertible bonds for NT\$206,170, with a par value of NT\$10 per share, for a total of issuance of 20,617 new shares by letter No. Economic Approval 09901160410.
- (30) September 2010, the Financial Supervisory Commission of the Executive Yuan on July 16, 2010 approved the transfer of capital from earnings to capital of NT\$91,403,800, with a par value of NT\$10 per share, for a total of issuance of 9,140,380 new shares by letter No. Financial-Supervisory-Securities (I) 0990037057. September 2010, the Ministry of Economic Affairs on September 10, 2010 approved by letter No. Economic Approval 09901207380.
- (31) October 2010, the Ministry of Economic Affairs on October 29, 2010 approved the conversion of convertible bonds for NT\$549,010, with a par value of NT\$10 per share, for a total of issuance of 54,901 new shares by letter No. Economic Approval 09901243740.
- (32) August 2011, the Ministry of Economic Affairs on August 4, 2011 approved the conversion of convertible bonds for NT\$88,274,280, with a par value of NT\$10 per share, for a total of issuance of 8,827,428 new shares by letter No. Economic Approval 10001179000.
- (33) September 2011, the Ministry of Economic Affairs on September 14, 2011 approved the conversion of convertible bonds for NT\$31,410,750, with a par value of NT\$10 per share, for a total of issuance of 3,141,075 new shares by letter No. Economic-Approval 10001214460.
- (34) July 2013, the Financial Supervisory Commission on July 26, 2013 approved the transfer of capital from earnings to capital of NT\$51,011,740, with a par value of NT\$10 per share, for a total of issuance of 5,101,174 new shares by letter No. Financial-Supervisory-Securities-Issue-1020029240.
- (35) September 2021, Taiwan Stock Exchange by letter No. Taiwan Stock Exchange (I) 1100016700 approved the capital reduction of NT\$418,296,330 by cash on September 8, 2021, with a par value of NT\$10 per share, amounted to the cancellation of 41,829,633 shares of common stock. October 2021, The Ministry of Economic Affairs approved the capital reduction by letter No. Economic-Approval 11001180360 on October 5, 2021.
- (36) August 2025, Taiwan Stock Exchange by letter No. Taiwan Stock Exchange (I) 1141803584 approved the capital reduction of NT\$473,185,340 by cash on August 29, 2025, with a par value of NT\$10 per share, amounted to the cancellation of 47,318,534 shares of common stock. October 2025, The Ministry of Economic Affairs approved the capital reduction by letter No. Economic-Approval 11430158630 on October 14, 2025.

(2) Major shareholders (Shareholders rank in the top 10 in shareholding percentage)

Name	Share	Shares held	Shareholding percentage
Tai Lin Investment Co., Ltd.		20,052,707	16.71%
Mao Shen Investment Co., Ltd.		14,128,277	11.77%
Jin Jun Investment Co., Ltd.		8,300,000	6.92%
Thye Wei Biotech Co., Ltd.		6,754,541	5.63%
Tai Yung Investment Co., Ltd.		6,743,232	5.62%
Tai Ying Investment Co., Ltd.		3,859,262	3.22%
SinoPac Securities is entrusted with custody for clients of SinoPac Securities (Asia) Limited under the SinoPac (Asia) Nominee arrangement		3,377,820	2.81%
Yu, Cheng-Hsiu		934,633	0.78%
Chen Mei-Tan		884,087	0.74%
Wu, Shu-Chuan		827,357	0.69%

(3) Dividend policy and implementation status

1. Dividend policy

If there are any earnings in the company's annual final accounts, the company shall first pay taxes and make up losses for prior years. Then the company shall first set aside 10% of the remaining earnings as legal reserve, except when the accumulated legal reserve has reached the company's total paid-in capital, and then set aside or reverse the special reserve and add the prior year's undistributed earnings and the adjustment of undistributed earnings of the current period, depending on the operating and laws and regulations, as distributable earnings, which shall be proposed by the board of directors. If in whole or in part the dividends and bonuses shall be distributed through the issuance of new shares, the proposal shall be submitted to the shareholders' meeting for resolution. For the under-reported amount among "net increase in fair value of investment property accumulated in the previous period" and "net deduction of other equity accumulated in the previous period", the Company's lawful provision of special surplus reserve shall start with the same amount of special surplus reserve from undistributed surplus for the previous period, followed by classifying net profit after tax for the period plus items other than the same into undistributed surplus for the period.

In accordance with Article 240 of the Company Act, the board of directors is authorized by a resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors to distribute dividends and bonuses, in whole or in part, in the form of cash and report to the shareholders' meeting. In line with the overall environment and the characteristics of the industry, the company is in a stable growth stage. In order to pursue sustainable operation and long-term development of the company, and to take into account the shareholders' demand for cash inflow, the company will distribute earnings, if any, after the annual accounts, with the total amount of earnings distributed being no less than 20% of the net income after tax for the year, and the annual cash dividends being no less than 10% of the total amount of cash and stock dividends distributed for the year.

2. Proposed dividend allocation for approval at the annual shareholders' meeting :

The board of directors resolved on March 13, 2026 to approve the distribution of 2025 earnings, which is expected to distribute cash dividends of NT\$6 per share.

(4) Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the recent shareholders' meeting : The Company has not proposed any stock dividend distribution and is therefore not applicable.

(5) Employees' bonus and directors' remuneration

1. The proportion or range of employees' bonus and directors' and supervisors' remuneration as prescribed by the Company's Articles of incorporation are as follows :

The Company's annual profit, if any, shall be set aside no less than 1% as employees' bonus (of which at least 70% shall be distributed to frontline employees), and no more than 3% as directors' remuneration. However, the Company shall reserve profits to cover any cumulative losses. The profit distributable as employees' compensation in the preceding paragraph may be distributed in the form of shares or in cash. Qualification requirements of employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements.

2. The basis for estimating the amount of employees' bonus and directors' and supervisors' remuneration for the current period, and the accounting treatment of the discrepancy, if any, between the actual amount of bonus shares distributed to employees and estimated figure :

If there is a material change in the amount of distribution resolved by the board of directors after the end of the year, the change is adjusted to the annual expense. If there is still a change in the amount after the date of approval of the consolidated financial

statements, the change is treated as a change in accounting estimate and recorded as an adjustment in the following year.

3. Information on any approval by the board of directors of distribution of compensation :

(1) Employees' compensation and directors' and supervisors' remuneration distributed in cash or stock :

The Company's board of directors' meeting on March 13, 2026 approved the distribution of employee compensation of NT\$9,477,738 and director remuneration of NT\$24,320,000, all of which were paid in cash and were not different from the amount recognized in the expense in the fiscal year.

(2) The amount of any employee compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in individual financial reports for the current period and total employee compensation : Not applicable

4. The actual distribution (including number of shares distributed, amount and share price) of employee and director compensation for the previous fiscal year, and, if there is any discrepancy between the actual distribution and the recognized employee and director compensation, additionally the discrepancy, cause, and how it is treated :

The Company's board of directors resolved on March 12, 2025 to distribute employees' compensation in cash in the amount of NT\$15,114,694 and directors' remuneration in the amount of NT\$38,770,000.

The total amount of \$53,884,694 distributed was not different from the amount recognized as expenses in 2024, in accordance with the Company's Articles of incorporation.

(6) Status of a company repurchasing its own shares : None

2. Information on the company's issuance of corporate bonds : None

3. Information on preferred shares, global depository receipts, and employee stock warrants, merger activities (including mergers, acquisitions, and demergers) : None

4. Financing plans and implementation : None

IV. The overview of business operation

1. Business activities

(1) Business scope :

1. Main business :

- (1) Electrochemical refining of copper, aluminum, tin, zinc, antimony and other metals for manufacturing processing and trading.
- (2) Copper ingot, copper plate, copper bar, copper tube, lead plate, lead ingot, lead tube, lead wire, tin wire, lead alloy ingot, red lead powder, yellow lead powder, pigment, zinc oxygen powder, lead oxide, die-casting, etc. manufacturing, processing and trading.
- (3) Wholesale and retail of all kinds of merchandises and groceries.
- (4) Provide quotations and tendering services for preceding various domestic and foreign product distributors.
- (5) Import and Export trading business for the preceding various products.
- (6) Entrusted the constructor to build public housing and commercial buildings for lease and sale.
- (7) Entrust the constructor to develop the industrial zone approved by the industrial authorities.
- (8) General and business waste disposal business (except construction business) (no fixed workplace).
- (9) General and business waste (such as waste lead batteries, lead slag, etc.) disposal, recycling business.
- (10) Trading of waste lead batteries, lead slag, etc.
- (11) Trading of chemicals and chemical products (except controlled articles).
- (12) Warehousing.
- (13) All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. The company's current product line and business weighting

Unit : NT\$ thousand

Main product	2025 Consolidated net operating income	Business weighting (%)
Litharge, Red lead	591,636	7.35
Lead ingots, Lead alloy ingots	7,355,802	91.40
Other (Note)	100,721	1.25
Total	8,048,159	100

Note : Sales of by-products of production process and income from disposal of general and business waste.

3. New products planned for development :

- (1) Lead-calcium alloy for low self-discharge lead-acid batteries.
- (2) Lead-tin alloy with enhanced conductivity and corrosion resistance.

(2) Industry Overview

1. Current status and development of the industry

Taiwan does not have any lead mines, the lead industry mainly imports unforged lead (including lead ingots and lead alloy ingots), which are made into lead semi-products and products through secondary processing. The lead industry is second only to aluminum, copper and zinc in importance in our country's non-ferrous metals.

According to statistics, more than 400 million metric tons of hazardous waste are generated worldwide every year. In order to control and avoid the harmful effects of hazardous waste on people and the environment, in 1989, the United Nations adopted

the Basel Convention on the Control of Transnational Movement and Disposal of Hazardous Wastes in Basel. The main content of the Convention is to restrict the transboundary movement of hazardous wastes and hazardous wastes must be disposed of in the place of origin or in the country of origin. For example, in Taiwan, lead scrap, which used to account for one of the demand for lead products, was stopped being imported in 1993 due to environmental requirements. Instead of this, the import of unforged lead has increased, among which the increase in lead ingot is the largest. In recent years, due to the popularity of automotive, motorcycle, lighting, communication equipment, UPS and electric electronic products, the usage of lead-acid batteries has increased greatly, and the consumption of lead products has been growing over the years.

At present, there are two main sources of raw material supply for lead products in Taiwan, one is the raw lead imported from abroad, and the other is the recycled lead made by recycling waste lead-acid batteries and then being smelted. Due to the increasing demand for lead products in the emerging markets in Asia, the global supply of primary lead mining is abundant, but it has to be imported from abroad and the cost depends on the international lead price on LME, while the cost of recycled lead is cheaper and can be obtained through domestic recycling of waste lead batteries or waste lead, which has gradually become an important source of raw materials.

Lead-acid batteries are the world's largest battery product by volume, according to data from U.S. research firm Market.us, the global lead-acid battery market is projected to reach US\$ 65.1 billion by 2030, with a compound annual growth rate of 5.1% from 2023 to 2032. The increasing demand for grid-connected renewable energy generation and the expansion of electronic data centers have also contributed to the steady rise of the lead-acid battery market. Lead-acid batteries can provide charging for any UPS (Uninterruptible Power Supply) uninterruptible power system equipment and provide stable and continuous power for electronic equipment through SLI (Starting, Lighting, Ignition) systems. In spite of the fact that these lead-acid batteries are heavier and larger than lithium batteries, however, lead-acid batteries are easily available, inexpensive and cost-effective for large energy storage grids that can operate efficiently at low temperatures and without active cooling.

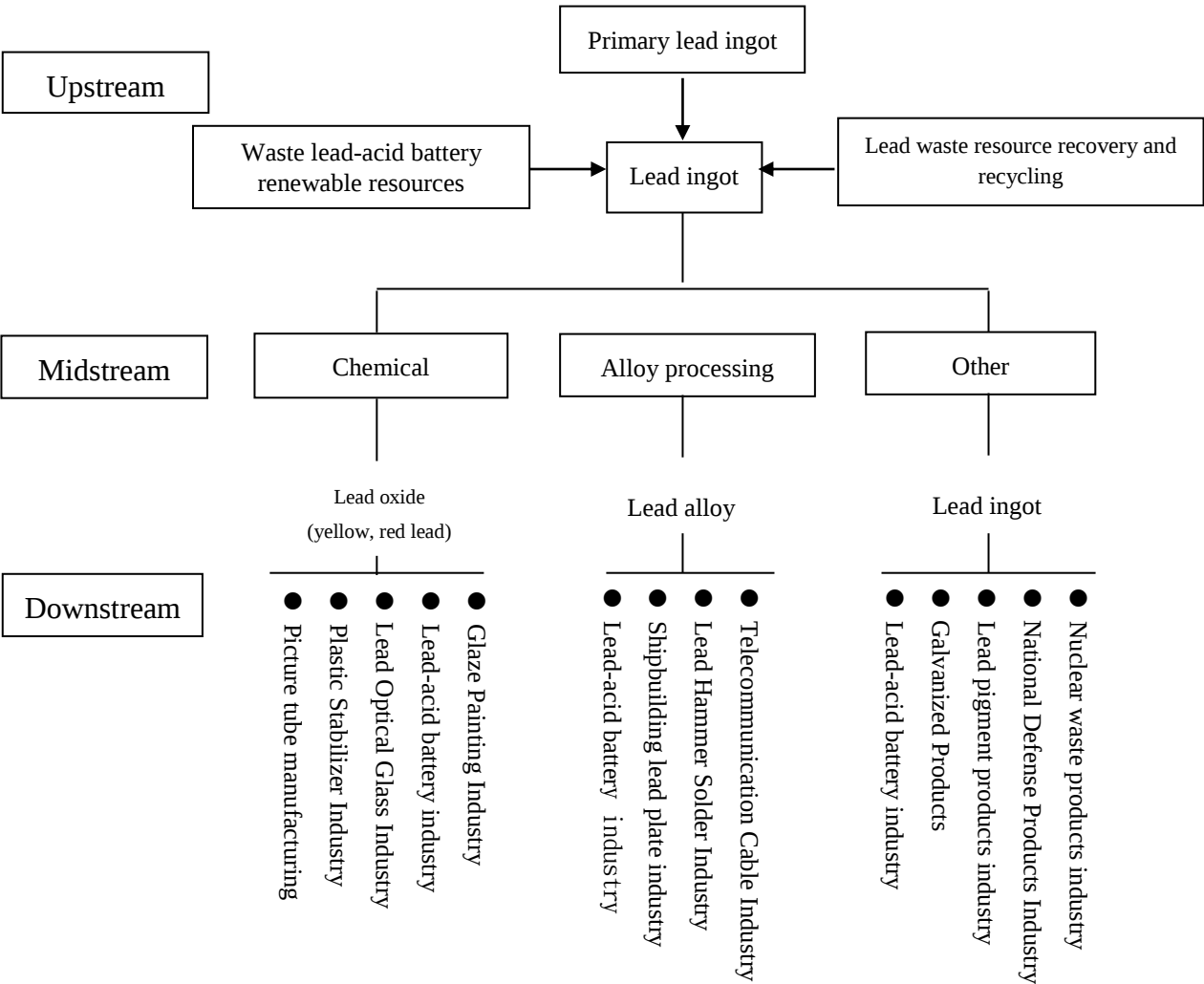
China, Japan and India are the major markets for the industrial lead-acid battery market in the Asia-Pacific region. The market growth in this region will be faster than the growth in Europe. In the predictable energy sector, the growing use of industrial lead-acid batteries in the renewable energy and industrial sectors will also contribute to the growth of the industrial lead-acid battery market in the Asia Pacific region.

Due to the advantages of mature lead-acid battery technology, high safety, high and low temperature resistance, high recycling rate and low price, advanced countries such as Europe and the United States still produce and use lead-acid batteries in large quantities. According to February, At the 70th International Lead and Zinc Study Group (ILZSG) conference held in Lisbon in October 2025, a presentation titled “Climate Change, New Battery Technologies, and AI—Does the World Still Need Lead?” noted that the lead industry has overcome numerous challenges in production and consumption over the past 50 years. Although some end markets have shrunk, demand for batteries continues to expand. The global automobile fleet has exceeded 1.8 billion vehicles, 4.5 times the size of that in 1980, and the majority of vehicles still use lead-acid batteries. In 2025, batteries accounted for 92% of total lead demand, of which SLI (starting, lighting, ignition) batteries accounted for 57% and industrial batteries for 43%. lead's malleability, denseness and corrosion resistance, are commonly used to store corrosive liquids in solvents and to stop the radiation of X-ray and gamma rays, and other applications include the manufacture of coatings and pigments and other compounds.

As demand for batteries for automobiles continues to increase in the Asia-Pacific market, demand for lead-acid batteries for mobile phone base station construction and energy storage backup systems is increasing, and due to industrialization and urbanization, increased energy consumption in the Asia-Pacific region is driving demand for lead-acid batteries. In 2025, global refined lead production was 13.633 million metric tons, while lead consumption was 13.564 million metric tons. The ILZSG projects global lead consumption to reach 13.368 million metric tons in 2026.

In summary, lead-acid batteries still occupy an important position in areas such as the automotive industry, with the promotion of clean energy policies, lead-acid batteries and lead demand is expected to continue to grow, driven by the circular economy, lead recycling technologies have matured, with significantly lower energy consumption and carbon emissions compared to primary smelting, aligning with low-carbon and circular economy trends. Many lead producers have now made recycled lead a core strategic focus, supported by government subsidies. While the lead industry faces environmental pressures and competition from alternative materials, its high recyclability, stable industrial demand, and emerging application potential continue to ensure its future relevance. The key challenge lies in whether industry players can sustain innovation in environmental upgrades, circular utilization, and smart manufacturing in response to global sustainability transitions. The ILZSG notes that 67.4% of the world's refined lead came from recycled lead in 2025 (compared to 67.8% in 2024).

2. Upstream, midstream and downstream correlations of the industry



1. Upstream - supply of raw materials

The company's main raw material is lead, and there are two main sources of lead raw material : Primary lead ingot, which is mainly supplied from Australia, Europe, China and America, and recycled lead, which is smelted from waste lead-acid batteries.

2. Midstream - Lead processing

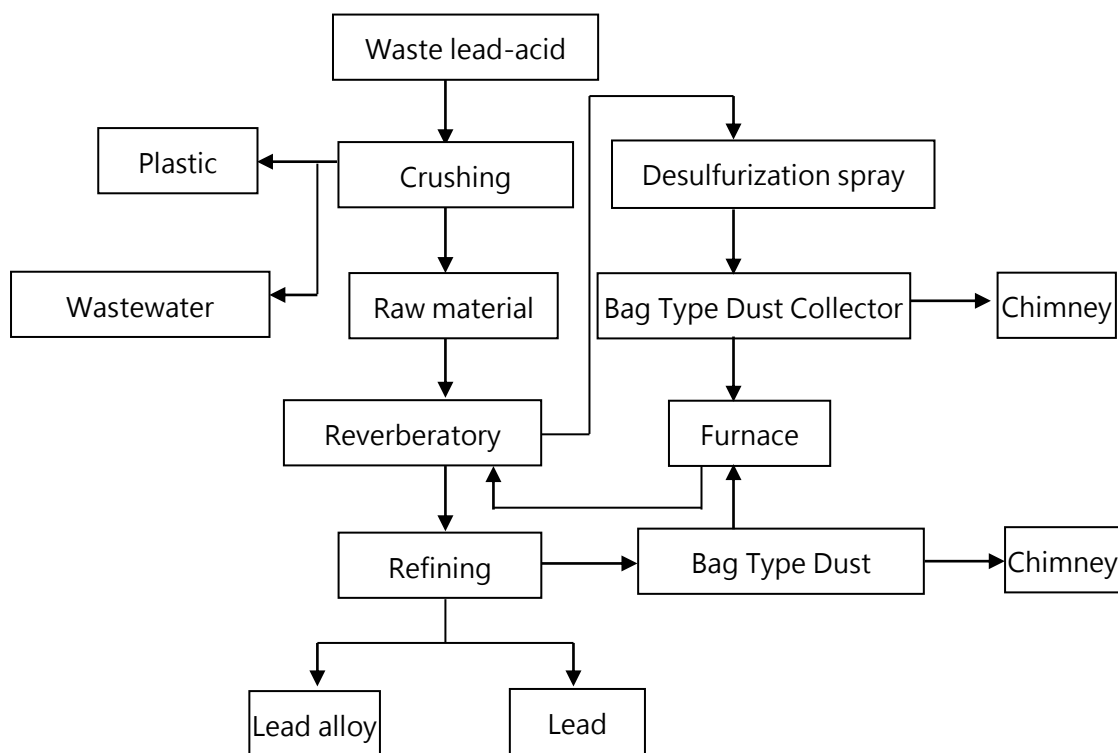
The main products of the lead processing industry are lead antimony and lead-calcium alloys, while the other lead chemicals are mainly produced to manufacture yellow lead and red lead, and the manufacturing process is as follows. :

① Lead alloy manufacturing process :

Lead ingot → Refining furnace → Lead alloys

Waste lead-acid batteries → Crushing → Reverberator furnace (coarse lead) → Refining furnace → Lead alloy or lead ingot (as shown in Figure 1)

Figure 1 : Waste lead-acid battery recycling operation process



② Lead oxide manufacturing process

Lead ingot → Lead melting furnace → Lead powder machine → Yellow and red lead furnace → Yellow and red lead powder (grain)

3. Downstream - various industries

Lead alloys for the lead processing industry are mainly sold to the battery industry, and are also widely used in the shipbuilding industry, lead plate industry, lead hammer industry, and soldering industry, while lead oxide (yellow and red lead) is mainly used downstream in the plastic stabilizer industry, paint industry, glazing industry, glass industry, and other related industries with wide range of applications.

3. Development trends and competition for the company's products

The amount of lead consumption is closely related to the growth of the lead-acid battery industry, especially in developing regions such as China, India, ASEAN and other emerging countries, where the demand for batteries is growing at a relatively high rate as the number of vehicles grows rapidly. In addition, batteries will be widely used in

electric motorcycles, electric bicycles, handheld electronic communication products, base stations and various communication devices in the future as the country's economy is booming, the amount of lead used will also grow. Although the growth rate of the lead products market has slowed down slightly in the past two years due to the saturation of the market, in the long term, the number of automotive and motorcycles will grow as people's income increases and living standards rise, so lead products should show a stable trend of development. Moreover, the company's main products, yellow and red lead, are used in the plastic stabilizer industry and lead-acid battery industry.

At present, lead is mainly used in lead-acid batteries, accounting for about 85%, while other industries account for 15%. The share of lead-acid batteries is expected to continue growing, driven by stable automotive industry demand, particularly in emerging markets where vehicle ownership rates keep increasing. Ongoing adoption in telecoms, information centers, and industrial facilities, where lead-acid batteries remain the primary backup power solution due to their cost-effectiveness and reliability. Competitive positioning in medium/small-scale energy storage, despite lithium-ion batteries' dominance in large-scale energy storage systems.

Lead Applications by Sector (Based on ILZSG Data & Industry Sources)

Application	Description	Market Share
Lead Acid Batteries	Used in automotive starter batteries, industrial energy storage batteries, and UPS systems	85%
Construction	Roofing waterproofing, pipe wrapping, soundproofing, and seismic damping materials	5%
Bullets & Military Applications	Production of bullets, artillery shells, and other ammunition	3%
Alloys & Solder	Metal alloys (e.g., lead-tin solder) and bearing materials	3%
Radiation Shielding	X-ray room shielding panels, nuclear power plant Production of protective panels for X-ray rooms, nuclear power station protective materials, etc.	2%
Other Applications	Including ceramic glazes, glass stabilizers, and pigments	2%

Source: International Lead and Zinc Study Group (ILZSG)

2025 Global Lead-Acid Battery Market by Application

Application Segment	Market Share
Automotive SLI Batteries (Starting, Lighting, Ignition)	55%
Backup Power Systems (UPS - Uninterruptible Power Supply)	20%
Industrial Applications (Telecom, Energy, Data Centers)	10%
Renewable Energy Storage	10%
Other Applications (Forklifts, emergency lighting equipment, ...etc.)	5%

Sources: Super Market Research, Coherent Market Insights

The automotive sector remains the largest consumer of lead-acid batteries, particularly for internal combustion engine vehicles, heavy vehicles (equipment). Even with the rise of electric vehicles, most EVs still install a small lead-acid battery for low-voltage system activation. The growth of information centers and telecom network construction has resulted in strong demand for lead-acid backup batteries; renewable energy storage is mainly in small and medium-sized decentralized energy storage systems.

Projected 2026 Global Lead-Acid Battery Capacity & Demand by Region

Region	Capacity Share	Demand Share
APAC	55% ~ 60%	45% ~ 50%
North America	15% ~ 18%	20% ~ 23%

Region	Capacity Share	Demand Share
Europe	15% ~ 17%	15% ~ 18%
RoW	8% ~ 10%	10% ~ 12%
Total	100%	100%

Sources: Super Market Research, Coherent

(3) Overview of Technology and R&D

1. Research and development expenditures during the current fiscal year up to the date of publication of the annual report

Unit : NT\$ thousand

Item	2025	As of March 31, 2026
Research and development expenses	5,935	1,256

2. Technologies or products successfully developed

The Company has developed successful technologies in the last three years as follows :

Year	R&D Results
2023	Improvement of heat exchanger system
2024	Pb-Ca alloy with reduced self-discharge rate Pb-Sn alloy with enhanced conductivity and corrosion resistance
2025	Optimization of recycled lead ingots Lead-antimony alloys for reducing battery water loss

(4) Long- and short-term business development plans

1. Short-term plans

(1) Marketing Strategy

- ① Collect and analyze the development trend of lead products market, and strengthen the development of domestic and foreign sales market, with the domestic market aiming to increase the market share, and the foreign sales market focusing on Asia, with at least one customer in each Asian country as the target, and decentralize the concentration of foreign sales customers.
- ② In line with customer demands, provide customers with lead-related information and strengthen after-sales consultation channels to assist customers in solving related problems in order to improve after-sales services.
- ③ Cooperate with major customers to promote ISO/TS16949 system to increase customer satisfaction.

(2) Production and Product Development

- ① Increase the utilization of machine capacity, properly plan and arrange the production process, and use performance incentives to improve employee productivity and reduce the defect rate due to employee negligence.
- ② Improve on-site personnel training and proficiency to enhance the production efficiency and economic scale of products.
- ③ Strengthen the training of quality control personnel and use modern precision instruments and equipment to maintain the product quality stability.
- ④ Decentralize procurement regions and targets, and actively explore new supply sources. In addition to extracting lead from waste lead-acid batteries, the procurement regions will be decentralized around the world to avoid over-concentration of supply sources in one region or country.

(3) Business Management and Financial Planning

- ① Improve management performance, strengthen employee training, motivate work potential and enhance operational quality.
- ② Focus on employee welfare policy and implement the bonus and performance bonus system to improve employee morale and increase their engagement.

- ③ Strengthen the internal control system and computer application to enhance the operation efficiency and manpower effectiveness, and increase the production and sales coordination procedures and the proper expression of reports.
- ④ Flexibility in the use of various financial instruments to reduce capital costs and improve the financial management performance.
- (4) Environmental Protection
 - ① Increase the input of pollution prevention equipment, improve the effectiveness of pollution prevention equipment, and strive to do a good job in environmental protection and avoid pollution from happening.
 - ② Improve waste lead-acid battery recycling equipment efficiency, strengthen the proportion of waste lead-acid battery recycling, on the one hand, can increase the source of inexpensive and high-quality materials - waste lead-acid batteries, reduce lead alloy raw material costs, and prevent the secondary pollution caused by lead products, and contribute to environmental protection.

2. Long-term plans

(1) Marketing Strategy

Strengthen the development of domestic and overseas marketing channels to increase the products' sales volume, and gradually establish overseas production bases and decentralized sales channels to increase the amount of domestic and foreign sales to achieve the purpose of expanding the business.

(2) Production and Product Development

- ① Develop automation system to reduce the investment of labor to reduce production cost and design the perfect production process to improve work quality and reduce waste.
- ② Strengthen the research on the lead products' functions, develop new applications for lead products, and participate in the research and development programs of downstream manufacturers' products to improve the lead products' functions and develop new application paths of them.
- ③ In line with the demand of electric vehicles, energy storage systems and uninterruptible power system for storage batteries, the performance of lead alloy is enhanced to increase the capacity density of lead-acid storage batteries, improve battery life and expand the discharge rate.

(3) Business Management and Financial Planning

- ① Continuously expand the business of vertical integration.
- ② Promote the concept of internationalization and cultivate the management ability of international enterprises, and actively cultivate international talents.
- ③ Appropriate use of financial instruments to diversify financial risks.

(4) Environmental Protection

- ① Research on the improvement of line operation process of waste lead battery recycling, and developing the technology and production equipment for industrial battery recycling.
- ② Participate in academic research institutions for pollution prevention projects, develop other waste recycling and resource recovery, and contribute to the reduction of waste pollution.

2. Market, production and sales summary

(1) Market Analysis

1. Major product sales regions

- (1) Domestic market : The domestic sales ratio of the company's products accounts for approximately 46% and is distributed throughout the country.
- (2) Overseas market : The export ratio of the company's products accounts for 54%, mainly in Vietnam, Malaysia, Japan, Indonesia, Thailand, etc.

- (3) Clearance and recycling of general and business wastes are conducted domestically, and the company is the first domestic manufacturer to obtain a nationwide lead operation-related license to engage in such services.

2. Market share

The company's market share for domestic sales of lead alloy products is about 85% and for domestic sales of yellow lead and red lead products is about 60%.

3. Demand and supply conditions for the market in the future and growth potential

Lead series products applications, 86% of them are used in lead-acid batteries for the automotive and motorcycle industries. In the automotive and motorcycle markets, lead-acid batteries are consumables with an average life span of about 2~3 years, followed by the power systems for electric vehicles and industrial UPS, while yellow lead and red lead are mainly used in glazes, crystals, and optical glass applications etc. As society advances and the quality of life improves, in addition to the development of the automotive and motorcycle industries, the demand for electrical appliances is increasing, as well as the use of storage batteries, lead glass, ceramics, yacht ballast, welding industry, roof insulation in the construction industry, shock absorbing building materials for skyscrapers, radiation shields for hospitals or nuclear power plants, and lead containers for nuclear waste storage.

The rapid urbanization and industrialization in the Asia Pacific region has led to an increase in the average income of the population, coupled with the reasonable oil prices and the increasing demand for transportation, which has led to the growth of automotive and motorcycle sales and is the main driver for the continued growth of lead-acid batteries. Lead-acid batteries are used in uninterruptible power system and UPS are becoming more and more important and dependent, such as financial institutions, hospitals, research institutions, educational institutions, etc. Smart grid, automotive charging pile infrastructure and other applications are also increasing the breadth of lead-acid battery applications. According to The latest report issued by Markets.us, an international market research firm, the global lead-acid battery market will reach US\$59 billion by 2032, with a compound annual growth rate of 6.9% during the period, and the Asia-Pacific region will account for the highest share, with large automotive and manufacturing bases in the region being key drivers of growth.

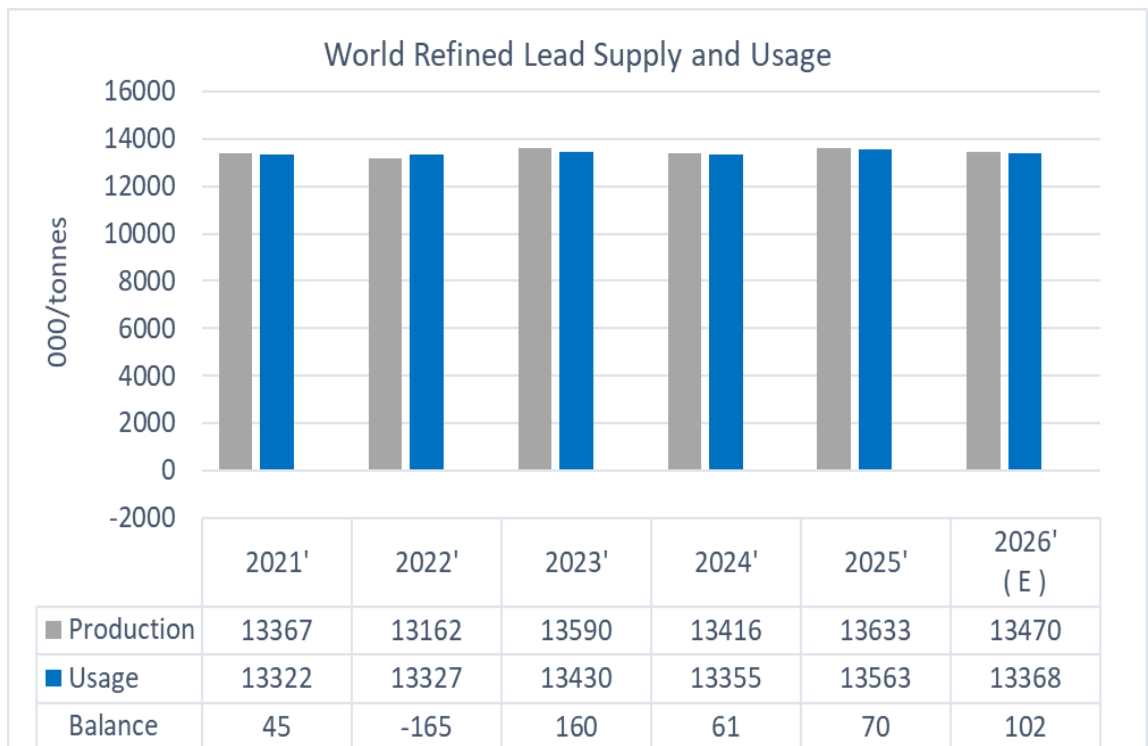
According to the latest market research, the global lead-acid battery market size is projected to reach approximately US\$51-56 billion in 2025 and continue steady growth in the coming years. Estimates vary slightly among research institutions:

Fortune Business Insights estimates the 2025 market size at US\$51.03billion, growing to US\$73.96 billion by 2032 at a CAGR of 5.44%.

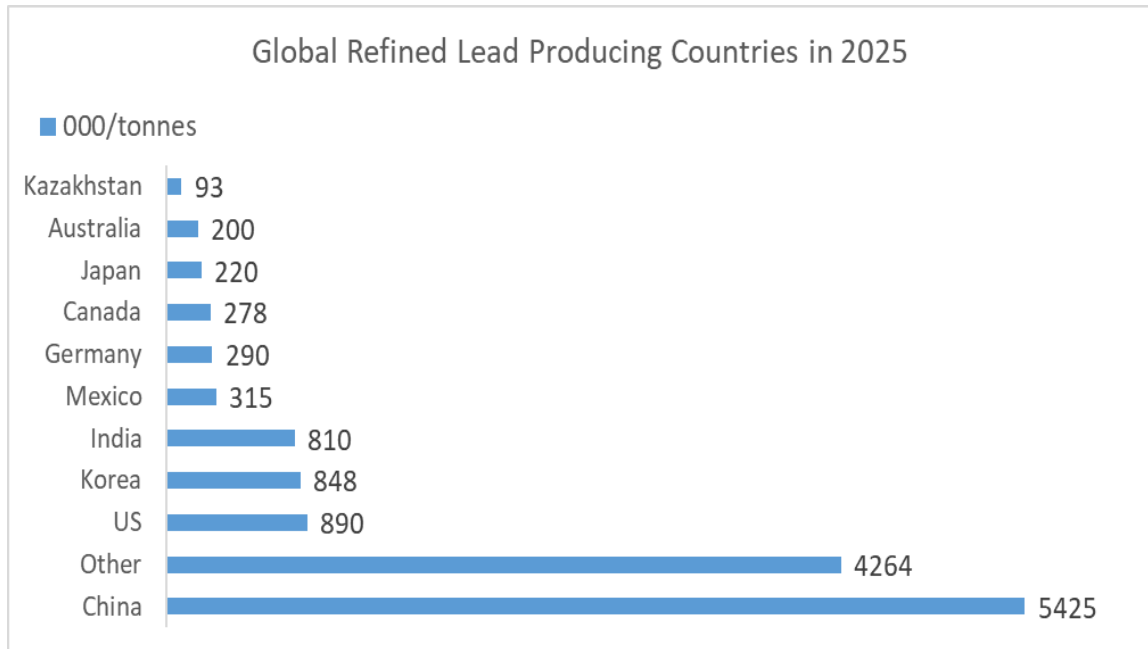
Straits Research forecasts the 2025 market size at US\$55.95 billion, expanding to US\$82.78 billion by 2033 at a CAGR of 5.02%.

Coherent Market Insights projects the 2025 market size at US\$53.09 billion, reaching US\$77.28 billion by 2032 at a CAGR of 5.5%.

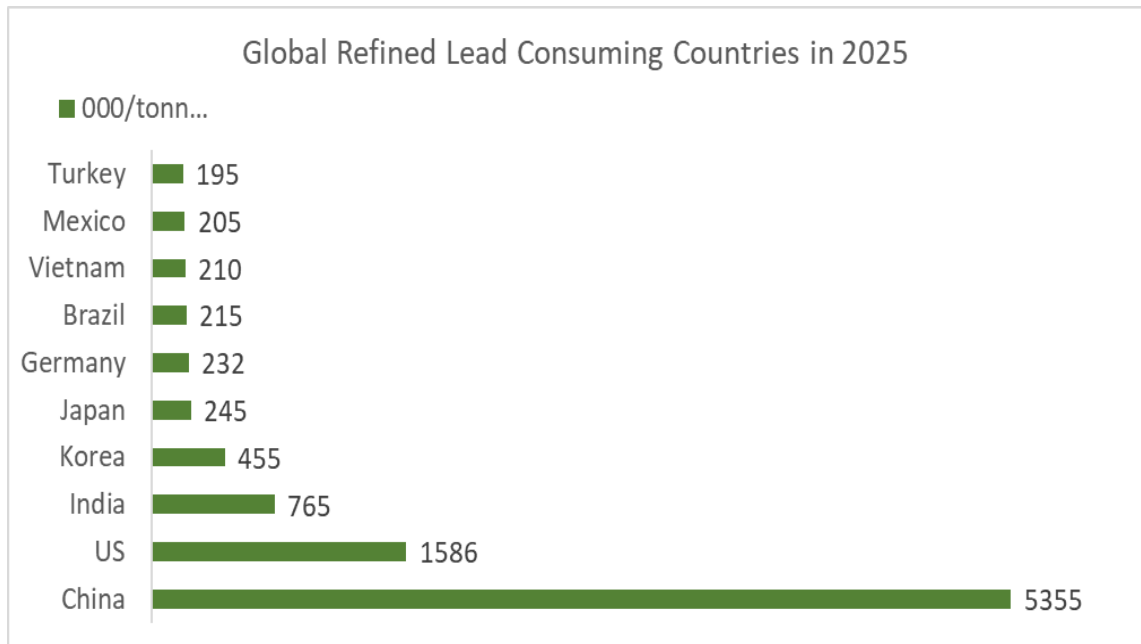
Statistics from the International Lead and Zinc Study Group (ILZSG) indicate that global refined lead consumption in 2025 reached 13.563 million metric tons, a 1.5% increase from 2024, driven primarily by Brazil, Taiwan, Turkey, the United States, and Vietnam. However, global production in 2025 rose only slightly by 0.8%, mainly due to growth in China, India, Peru, Turkey, and Europe. The ILZSG forecasts that due to the increase in electric vehicles (EVs) in 2026, global refined lead consumption will decrease slightly by 1.5% compared to 2025, falling to 13.368 million metric tons.



Source: ILZSG



Source: ILZSG



Source: ILZSG

4. Competitive niche, positive and negative factors for future development, and the company's response to such factors :

(1) Competitive niche

① Excellent quality and brand

The company has always insisted on excellent quality and accumulated many years of skill and experience, and has not only built up a goodwill and reputation, but has also obtained ISO9002, ISO14001 and ISO/TS16949 etc. quality certifications, making it a leading brand in Taiwan's industry.

② Great experience in manufacturing technology

The company's management team has accumulated many years of experience in manufacturing technology and has fully mastered production efficiency, and has become more and more proficient in process simplification, production automation, new product development and yield control not only to reduce production costs, but also to improve product quality, which in turn effectively enhances operational efficiency and market competitiveness.

③ Complete Product Line

The company also produces a variety of lead alloy products for different applications to meet the customer's demands, and therefore has a wide customer base both domestically and internationally, and is not constrained by changes in the economy of a single downstream industry as it provides a complete product line to its customers, which is an important niche for competition in the market.

④ Control of raw materials

The company's raw materials include primary lead ingot and regenerated lead ingot. The primary lead ingot is mainly imported from overseas, while the regenerated lead ingot is smelted from waste lead-acid batteries, which is mainly supplied domestically, and then imported from overseas when the domestic supply is insufficient and the source of supply is abundant and not in shortage.

(2) Positive factors for future development

① Emerging markets rising, lead-related industries still have sufficient growth momentum, and there is much room for growth in lead demand.

- a. Energy storage systems (UPS) can store excess power during off-peak hours and cope with power shortages during peak periods, which will certainly drive a large demand for batteries.
 - b. Based on the latest data from the International Energy Agency (IEA) and related research organizations (Benchmark Mineral Intelligence, Hedges & Company), sales of internal combustion engine vehicles (including conventional hybrids) in 2024 reached approximately 68 million to 72 million units. According to the latest market forecasts, sales of internal combustion engine vehicles in 2025 are expected to decline to between 64 million and 67 million units. The global vehicle fleet in 2025 is expected to reach approximately 1.645 billion vehicles. According to global population figures of approximately 8.1 billion, the vehicle ownership rate is approximately 203 vehicles per 1,000 people, equating to roughly 203 cars per 1,000 people. This data reflects the world's heavy reliance on automobiles. The Hedges Company 2025 report indicates that in Asia, car ownership will be around 61.9 million vehicles (accounting for 37.7% of the total), followed by Europe with approximately 43.1 million vehicles (26.2%), indicating demand for conventional internal combustion engine vehicles remains strong, which further contributes to the increase in lead use.
 - c. The use of Uninterruptible Power Systems (UPS) is booming, especially in the context of the increasing popularity of information technology, where the security and timeliness of information preservation are more important, which will make the application of this equipment more popular and promote the growth of lead demand.
- ② The company is the only listed company in the industry and is the largest manufacturer in Taiwan, with a good image of product quality.
- a. The company obtained a waste disposal site license in November 1994 and is dedicated to recycling waste lead batteries, being one of the few licensed companies in the lead product industry.
 - b. The company was the first professional lead product manufacturer in Taiwan to receive ISO-9002 certification for quality system and ISO-14001 certification for environmental management system. In 1998, the company received Excellent Supplier Award for implementation of ISO14001 environmental management system from the Environmental Protection Administration of the Executive Yuan, and in 2005, it received ISO/TS 16949 certification, the quality of its products is already the best in the industry.
- ③ Grasp the recycling channel of waste lead battery, not only reduce the cost but also benefit the image of environmental protection
The Company's subsidiary, Thai Wey, has established a nationwide recycling system for waste lead batteries. The waste lead recovered by the company is smelted into recycled lead, which not only helps to control the material source and reduce costs, but also effectively reduces the environmental pollution caused by waste lead.
- ④ Stable customer base, good sales ability
- a. The company's sales of products, lead alloy is mainly domestic, and its customers are large manufacturers in the domestic storage batteries industry, with a stable source of customers, while lead oxide is the bulk of export sales, and its customers are mainly Japanese and Taiwanese companies, with long-term sales contracts, and close relations.

- b. The company's main customers for domestic and export sales are all major manufacturers in the region with good credit ratings, high collectability of accounts, and minimal bad debt ratio.
 - c. The company's average weighting of domestic and export sales in the past three years is not very different, which shows that its ratio of domestic and export sales is even and not affected by the boom and bust of a single market.
- (3) Negative factors for future development, and the company's response to such factors

- ① The price of lead products is highly influenced by the international market, which makes it difficult for the company to grasp the price of purchase and sales

Responses

- a. Striving to collect market information, analyze and apply it in a timely manner to avoid the price fluctuation risk.
 - b. Actively plan inventory management, shorten production and sales schedules, and set long term orders to achieve stable sales and avoid price fluctuation risks.
 - c. The company's lead ingot products have been listed on the London Metal Exchange (LME), which allows us to control the flexibility of material purchase and sales. In 2013, Kaohsiung Port became the delivery port of the LME, and in the future, the company can take advantage of Kaohsiung Port's geographical connection to make material purchase or sales more accurate, and the transportation cost is also significantly reduced.
- ② Environmental awareness is on the rise domestically and the management of the industry is becoming more stringent.

Responses

- a. In addition to pollution prevention, the company has been actively engaged in environmental protection business. In November 1994, the company obtained the license to operate a waste disposal site (plant) and engaged in the environmental protection treatment of waste lead batteries and the manufacturing of lead resources recycling.
 - b. We have always been committed to the implementation of environmental protection policies. In September 1997, we obtained ISO-14001 certification for our environmental management system, and in 1998, the company received Excellent Supplier Award for implementation of ISO14001 environmental management system from the Environmental Protection Administration of the Executive Yuan.
- ③ The lack of primary labor and low stability is a common problem in the domestic manufacturing industry.

Responses

- a. The company is trying to bring in foreign workers to make up for the shortage of local workers, and at the same time, we are trying to improve the working environment and employee benefits in order to increase the employee's motivation.
 - b. Improve the manufacturing process, enhance automation, increase production and save unit labor cost.
- ④ There is no lead smelting in Taiwan, the main raw materials rely on foreign imports, it is not easy to grasp the supply of goods, and the imported raw materials are paid in U.S. dollars, so there is an exchange rate risk.

Responses

- a. The company has been actively strengthening ties with suppliers in the main lead ingot supplying regions and has sent employees to the production sites

to understand their production capacity and production processes for future reference in material purchase.

- b. In recent years, the company has been actively diversifying its procurement targets, maintaining flexibility in the change of traders and developing new traders to maintain the stability and continuity of the supply of goods.
- c. By re-investing in Thai Wey (a qualified recycler), we can reduce our dependence on foreign raw materials through its nationwide recycling system.
- d. The company's payment method for foreign material purchases and export receipts are mainly in U.S. dollars, and most of the export payments are retained in the original currency as payment for raw materials. Therefore, with the hedging effect of the foreign exchange position, it can produce a natural hedge effect and reduce the exchange loss.

(2) Usage and manufacturing processes for the company's main products

1. Important usage of main products

Name	Usage
Antimonial Lead alloy	Lead acid battery, Lead terminal, Lead cable, Tin solder, Fishing net lead hammer, Die casting, Ballast lead ingot
Calcium Lead alloy	Maintenance free lead acid battery, Electric vehicle lead acid battery, Emergency lead acid battery, UPS lead acid battery
Lead ingot	Lead acid battery, Lead oxide, Lead cable, Tin solder, Fishing net hammer lead, Die casting, Ballast lead ingot
Litharge	Picture tube glass, Glaze, Inorganic pigment, Plastic grade stabilizer, Crystal, Optical glass
Red lead	Lead acid battery, Glaze, Red pigment, Paint, Red glass, Crystal, Optical glass

2. Manufacturing process of main products

(1) Litharge, Red lead :

Lead ingot → Lead melting furnace → Lead powder machine → Litharge and red lead furnace → Litharge and red lead powder (grain)

(2) Lead alloy ingot

Waste lead-acid batteries → Crushing → Reverberator furnace → Refining furnace → Lead alloy, Lead ingot

Lead Ingot → Refining furnace → Lead alloy

(3) Supply situation for major raw materials

The company's raw materials include primary lead ingot and regenerated lead ingot. The primary lead ingot is mainly imported from overseas, while the regenerated lead ingot is smelted from waste lead-acid batteries, which is mainly supplied domestically, although the quantity is limited but the imported lead ingot and waste lead from overseas are in sufficient supply and not in shortage.

(4) A list of any suppliers and clients accounting for 10 percent or more of the company's total procurement (sales) amount in either of the 2 most recent fiscal years and an explanation of the reason for increases or decreases

1. A list of suppliers accounting for 10 percent or more of the company's total procurement amount in either of the 2 most recent fiscal years : None.

2. A list of clients accounting for 10 percent or more of the company's total sales amount in either of the 2 most recent fiscal years

Unit : NT\$ thousand

Item	2024				2025				As of the first quarter of 2026			
	Name	Amount	Annual net purchase (%)	Relationship with issuer	Name	Amount	Annual net purchase (%)	Relationship with issuer	Name	Amount	Net purchase as of the first quarter of 2024 (%)	Relationship with issuer
1	C0B1001	2,109,530	24.66	None	C0B1001	1,975,151	24.54	None	C0B1001	501,704	23.08	None
2	C0B1002	1,021,965	11.95	None	C0B1002	1,054,013	13.10	None	C0B1002	239,973	11.04	None
	Other	5,422,062	63.39	—	Other	5,018,995	62.36	—	—	1,432,499	65.88	—
	Net purchase	8,553,557	100		Net purchase	8,048,159	100		Net purchase	2,174,176	100	

An explanation of the reason for increases or decreases in the above figures :

Changes in sales amounts to customers did not reach 20% in the most recent two fiscal years.

3. The number of employees

Year		2024	2025	As of March 31, 2026
Number of employees	Direct employee	88	86	85
	Indirect employees	81	76	76
	Sales management	99	99	100
	Total	268	261	261
Average age		40.9	41.1	41.3
Average length of service		11.2	11.4	11.3
Education level distribution ratio	PhD	0%	0%	0%
	Master	3.0%	3.1%	3.5%
	University (College)	53.3%	52.9%	52.9%
	High School	15.7%	14.9%	14.9%
	Below High School	28.0%	29.1%	28.7%

4. Disbursements for environmental protection

Any losses suffered and penalties by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents, and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. :

- (1) The company has not suffered any losses and penalties for polluting the environment in the most recent fiscal year and up to the annual report publication date.
- (2) The EU requires that all electrical and electronic products in circulation in the EU market must not contain six hazardous substances, including lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls and polybrominated diphenyl ethers, from July 1, 2006 and this restriction will affect all electrical and electronic products containing these six hazardous substances that are exported to the EU. Although Thye Ming's products are mainly lead ingots, lead alloys and lead oxide, and its sales targets are mostly lead-acid battery manufacturers, lead-acid batteries are highly enclosed, and the lead contained in the batteries does not come into direct contact with humans, and lead has the advantages of easy access to raw materials, economical price, and recyclability. The EU restricts the use of mercury and cadmium in batteries, but lead is not included in the list so the implemented RoHS will not have any impact on Thye Ming's business or financial side.

5. Labor relations :

- (1) List any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests.

1. Employee benefit plans

(1) Highlights of the Employee Welfare Committee

- ① In January 1989, the Employee Welfare Committee was established to handle employee welfare business.
- ② In January 2010, amended the "Regulations for Children's Education Scholarships and Grants" and "Regulations for Marriage, Childbirth, Funeral and Occupational Injury Grants".

(2) Company benefits

- ① Festival cash gift
Cash gifts are paid on Labor Day, Dragon Boat Festival, Moon Festival and Spring Festival.
- ② Subsidy is given to employees for marriage, childbirth, funeral, hospitalization, and birthday.
- ③ Improve education and training

The company provides education and training to the current employees occasionally in order to improve the efficiency of work and to cultivate the awareness of employees in their duties. Also, we provide training on the operation licenses for various machines and tools (e.g. forklift and overhead crane operation) to the relevant personnel on site.

④ Implement regular employee health check-ups

In accordance with the laws and regulations, the company conducts regular health checkups for all employees every year and cares about the employees' physical health at all times.

⑤ Employee travel

Under the circumstances that do not affect the company's business, the company organizes annual employee travel in order to bond with colleagues and further enhance work efficiency.

2. Employees' continuing education and training

In order to enhance the use of human resources, motivate employees to develop themselves and cultivate talents, the company has established the "Employee Education and Training Program" and "Employee Professional Training Program".

According to the education and training program, employees can improve their knowledge and skills through internal and external training, job rotations, project assignments, overseas assignments, and related training programs based on job and professional requirements, in order to enhance the overall quality of employees and improve business performance.

The results of education and training in 2023 are as follows :

Item	Number of classes	Total attendance	Total hour	Total cost
Supervisor training	31	53	172	27,500
Professional knowledge	38	134	692.5	122,516
Practical knowledge	93	384	746	2,081
New employees	11	30	645.5	0
Total	173	601	2,256	152,097

3. Retirement system and implementation

The Company formally established the Supervisory Committee of Labor Retirement Reserve in May 1989 and established the retirement plan, which stipulates that :

- (1) Where the worker attains the age of fifty-five and has worked for fifteen years.
- (2) Where the worker has worked for more than twenty-five years.
- (3) Where the worker attains the age of sixty and has worked for ten years.

An employee shall be ordered to retire under one of the following situations :

- (1) Where the worker attains the age of sixty-five.
- (2) Where the worker is unable to perform his/ her duties due to disability.

The Company's and its domestic subsidiaries' monthly contributions to the pension fund are deposited in full in individual pension account at the Bank of Taiwan. The Labor Pension Act became effective on July 1, 2005. Employees hired before June 30, 2005, and who were employed on July 1, 2005, may choose to continue to be subject to the pension provisions of the Labor Standards Act or to be subject to the pension system under the Act and retain their seniority prior to the application of the Act. New employees after July 1, 2005 are subject to the pension system under the Labor Pension Act only. Employees who choose to apply the pension system under the Labor Pension Act shall contribute 6% of their monthly wages to the individual pension account of the Bureau of Labor Insurance.

The foreign subsidiary, Vietnam Thye Ming, makes pension contributions in accordance with local laws and regulations.

4. The status of labor-management agreements and measures for preserving employees' rights and interests :

- (1) Provide employees with adequate education and training
Establish the education and training management rules and set up a management unit to promote and supervise the education and training business.
- (2) The employees are compensated in accordance with all applicable payroll laws and regulations, including those relating to minimum wages and legally required benefits.
- (3) Work environment and employee safety protection measures
 - ① Access control security
There is a strict access control system around the clock and security guards are available throughout the day.
 - ② Maintenance and inspection of equipment
In accordance with the regulations of buildings' public safety inspection and reporting, we regularly engage a professional company to conduct public safety inspections, and in accordance with the Fire Services Act, we engage an outside party to conduct annual fire prevention inspections, and in accordance with Occupational Safety and Health Act, regularly maintain and inspect various equipment such as air conditioners and firefighting apparatus.
 - ③ Physiological mental health
The company's workplace is completely non-smoking and has posted non-smoking signs to remind employees not to smoke in the workplace in order to maintain the quality of the work environment, arrange regular employee health checkups to maintain the physical and mental health of employees.
 - ④ Insurance
In accordance with the law, the company is insured by labor insurance, health insurance and group insurance. If an employee is injured or dead, the personnel unit will assist in handling the related insurance matters.
 - ⑤ Employee benefits
Employees Welfare Committee was established on July 5, 1990. The Committee members are elected by employees and are responsible for the welfare of all employees with measures such as wedding, funeral and maternity subsidy, educational scholarships, cultural and recreational activities, and other welfare subsidy. The annual budget, expenditure and arrangement of welfare benefits are discussed and monitored by the members of the Welfare Committee every three months.
 - ⑥ Employee retirement system
The company has established the retirement and pension plan in accordance with the Labor Standards Act and its related laws and regulations in order to reward employees for their professional services and to stabilize their lives during their employment or after retirement. With respect to the retirement plan, employees who has worked for 25 years or 15 years and the age of 55 under the old system, or employees with the age of 60 under the new system, may apply for retirement and receive a pension. The Company has also established the Supervisory Committee of Labor Retirement Reserve to make monthly contributions to the Labor Retirement Reserve Fund. The Company has also established the Supervisory Committee of Labor Retirement Reserve to make monthly contributions to the Labor Retirement Reserve Fund. In the event of death due to occupational injury or disease, the company provides funeral

expenses of five months' average wages and death compensation of 40 months' average wages to the deceased's family.

- (2) Any losses suffered by the company in the most recent 2 fiscal years and up to the annual report publication date due to labor disputes and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. : None

6. Cyber security management:

- (1) Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management.

Information security risk management framework

The information security (information security) unit of the company is the information office, which has an information officer and professional information personnel responsible for establishing internal information security policies, planning and implementing information security operations, and promoting and implementing information security policies to ensure the confidentiality, integrity and availability of information and information assets required for the company's operations.

The audit office of the company is the supervisory unit for information security monitoring. The audit office has an audit supervisor and dedicated auditors who are responsible for supervising the implementation of internal information security, and if deficiencies are found during the audit, they will request the inspected unit to propose relevant specific improvement measures and regularly track the effectiveness of the improvements to reduce internal information security risks.

Organizational operation mode : The information office formulates the company's information security policy and information security operations, and internal units promote the implementation and strengthen the promotion of information security policy, information security operations and personnel education and training, and implement the introduction and implementation of information security policy. The audit office conducts information security risk audits, and if deficiencies are found, requests the inspected units to propose relevant specific improvement measures and regularly tracks the effectiveness of the improvements.

Information security policies and specific management programs

The company's information security management mechanism consists of three aspects :

1. System : To establish the company's information security-related management system, regulate personnel's operation behavior, and perform regular internal audits to reduce internal information security risks.
2. Technology : To build information security protection equipment to enhance the security of the information environment and implement information security management measures.
3. Personnel : Conduct information security education training or promotion to enhance employees' information security awareness or related knowledge.

Information security management measures

1. All departments' personal computers are installed with anti-virus software to avoid computer virus infection.
2. The information room on-line daily updates virus pattern and scan engine.
3. Install firewalls to prevent external threats.

4. Information personnel regularly review the delivery status for sent and received emails on the server, and report any abnormal conditions to the responsible supervisor for handling.

Investments in resources for cyber security management.

The resources invested to implement cyber security management measures are as follows. :

1. Network hardware equipment such as firewall, email anti-virus, email spam filtering, internet behavior analysis, managed hubs, etc.
 2. Software systems such as endpoint protection system, backup management software and encryption software.
 3. Procurement of hard disk backup, intrusion protection services, etc.
 4. Investment in manpower, daily system status check, weekly backup and backup media off-site storage implementation, at least one information security education course per year, annual system disaster recovery implementation exercise, annual internal audit of the information cycle, CPA audit, etc.
 5. Cyber security personnel, one cyber security supervisor and one cyber security officer, are responsible for cyber security structure design, cyber security maintenance and monitoring, cyber security incident response and investigation, cyber security policy review and amendment, and the cyber security supervisor reports to the board of directors at least once a year.
- (2) If the possible impact and countermeasures caused by a major information security incident cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be stated.
- The company has not had any major information security events in the most recent year and as of the date of publication of the annual report.

7. Important contracts

Nature of contract	Counterparty	Period	Major Contents	Restrictions
Sales Contract	A	115.04~116.03	Sales of lead antimony alloys, lead calcium alloys and lead ingots	None
Sales Contract	B	115.01~115.12	Sales of lead antimony alloys, lead calcium alloys and lead ingots	None
Sales Contract	C	115.03~116.03	Sales of lead calcium alloys	None
Sales Contract	D	115.01~115.12	Sales of lead ingots	None
Procurement Contract	E	115.03~115.12	Procurement of lead ingots	None
Procurement Contract	F	115.02~115.12	Procurement of lead ingots	None

V. Review and Analysis of Financial Status and Business Results and Risk Issues

1. Financial Status

Unit : NT\$ thousand

Item \ Year	2025	2024	Difference	
			Amount	%
Current assets	5,355,940	6,378,866	(1,022,926)	(16.04)
Property, plant and equipment	549,642	541,985	7,657	1.41
Other noncurrent assets	452,260	436,870	15,390	3.52
Total assets	6,357,842	7,357,721	(999,879)	(13.59)
Current liabilities	416,426	467,169	(50,743)	10.86
Noncurrent liabilities	296,043	292,712	3,331	1.14
Total liabilities	712,469	759,881	(47,412)	6.24
Share capital	1,200,000	1,673,185	(473,185)	(28.28)
Capital surplus	975,330	975,330	0	0
Retained earnings	3,908,352	4,261,238	(352,886)	8.28
Net income attributed to shareholders of the company	5,617,023	6,570,463	(953,440)	(14.51)
Total amount of equity	5,645,373	6,597,840	(952,467)	(14.44)

Any material change in the company's assets, liabilities, or equity during the past 2 fiscal years, (changes of 20% or more in the preceding and following periods, and changes amounting to NT\$10 million) :

The decrease in capital of NT\$473,185 thousand compared to the previous year was mainly due to a cash capital reduction.

2. Financial Performance

Unit : NT\$ thousand

Item \ Year	2025	2024	Increased (Decreased) amount	% of change
Operating revenue	8,048,159	9,215,571	(505,398)	(5.91)
Operating cost	7,048,123	7,818,245	(276,340)	(3.77)
Gross profit	1,000,036	1,397,326	(229,058)	(18.64)
Operating expenses	232,288	260,841	(33,986)	(12.76)
Operating interest	767,748	1,136,485	(195,072)	(20.26)
Non-operating income and expenses	80,188	139,143	(282,366)	(77.88)
Net income after tax	847,936	1,275,628	(477,438)	(36.02)
Income tax expense	191,660	278,887	(78,644)	(29.10)
Consolidated total net income	656,276	996,741	(398,764)	(37.80)
Net income attributed to shareholders of the company	652,954	993,835	(399,364)	(37.95)
Total comprehensive income	527,149	961,761	(568,622)	(51.89)
Total comprehensive income attributed to shareholders of the Company	523,656	958,676	(569,435)	(52.09)

Analysis of changes in increase and decrease :

1. The decrease in operating income compared to the previous period was mainly due to a decline in international lead prices, which resulted in a decrease in gross profit.

2. An increase in foreign exchange losses resulting from the appreciation of the TWD against the USD led to a decrease in non-operating income and expenses, as well as net income before tax.
3. The decrease in net income before tax resulted in lower income tax expense, consolidated net income, net income attributable to shareholders of the Company, total comprehensive income for the year, and total comprehensive income attributable to shareholders of the Company.

3. Cash Flow

(1) Cash flow analysis during the most recent fiscal year :

Item	Year	2025	2024	Percent Change (%)
Cash flow ratio (%)		108.20	150.43	(28.07)
Cash flow adequacy ratio (%)		102.67	127.54	(19.50)
Cash flow reinvestment ratio (%)		-7.80	-1.98	(293.94)

Analysis of changes in increase and decrease :

1. The decrease in the cash flow ratio compared to the previous period was mainly due to a decrease in cash inflows from operating activities resulting from an increase in inventory and a decrease in income taxes.
2. The decrease in the cash reinvestment ratio compared to the previous period was mainly due to a decrease in cash inflows from operating activities and an increase in cash dividends compared to the previous period.

(2) Improvement plan for illiquidity : No illiquidity

(3) Analysis of cash flow in the coming year :

Unit : NT\$ thousand

Beginning cash balance	Net cash flow from operating activities throughout the year	Net cash outflow throughout the year	Net cash flow balance	Cash shortage contingency plan	
				Investment plan	Financing Plan
1,332,020	422,800	687,000	1,067,820	—	—

1. Analysis of cash flow changes

- (1) The net cash inflow from operating activities was due to changes in estimated net income and other operating assets and liabilities in 2026 based on changes in international lead prices and forecasted sales volume.
- (2) The net cash inflow from investing activities was due to the proposed disposal of financial assets in 2026.
- (3) The net cash outflow from financing activities was due to the payment of cash dividends, employees' compensation, directors' remuneration and cash capital reduction.

2. Cash shortage contingency plan : Not applicable

4. The effect upon financial operations of any major capital expenditures. during the most recent fiscal year

(1) Major capital expenditures and sources of funds

Unit : NT\$ thousand

Project	Actual or expected sources of funds	Actual or expected completion date	Total funds required	Actual or expected use of funds
				2025
Roughing furnace heat exchanger	Own funds	115.08.01	14,700	14,700
Upgrade of roughing furnace steel	Own funds	115.08.01	7,560	7,560

Project	Actual or expected sources of funds	Actual or expected completion date	Total funds required	Actual or expected use of funds
				2025
structure				

(2) Potential benefits expected :

1. Improve the production process to reduce the raw material loss.
2. Refine the fuel system to improve fuel efficiency and thereby reduce fuel expenses.
3. Improves air quality and reduces airborne particulate matter.

5. Reinvestment policy for the most recent fiscal year, the main reasons for the profits or losses, improvement plans, and investment plans in the Next Year

(1) Reinvestment policy for the most recent fiscal year :

The Company's management team based on factors such as operational needs or consideration of the company's future growth for the purposes of reinvestment, detailed evaluation of the organization type, investment purpose, site location, market conditions, business development, possible joint venture partners, shareholding ratio, reference price and financial position of the reinvested business, and made investment case evaluation recommendations for the decision-making authority to use as the basis for investment decisions. In addition, the company keeps track of the operating status of the invested business and analyzes the effectiveness of the investment to facilitate post-investment management tracking and evaluation by the decision-making authority.

(2) The main reasons for the profits or losses, improvement plans, and investment plans for the coming year :

Unit : NT\$ thousand

Name	Policy	2024 Revenue recognition	Profit or Loss main reason	Improvement plan	Investment plans for the coming year
Thye Wey Industrial Co., Ltd.	Vertical integration	27,680	Reasonable spread profit	—	None
Thye Ming Industrial (Samoa)	Offshore holding company	130,539	Recognition of interests in Vietnamese subsidiary	—	None

6. Risks analyze and assess the following matters during the most recent fiscal year and as they stood on the date of publication of the annual report :

(1) The effect upon the company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future.

1. Interest rate

The company regularly evaluates bank loan interest rates and closely maintains contact with banks to obtain more favorable loan rates. In recent years, market interest rates have been more volatile. The company uses its own funds to repay loans in advance or switch to loans with lower interest rates to effectively reduce debt ratios and interest expenses, thereby hedging the risk of interest rate changes.

The company borrows funds from financial institutions due to operational requirements, which results in interest rate risk, the interest rate risk is managed through an appropriate mix of fixed and floating interest rates.

Based on the balance of bank deposits and loans in 2025, a 1% increase or decrease in interest rates would increase or decrease net income by NT\$5,603 thousand.

2. Exchange rate fluctuations

The company relies on foreign imports for nearly 70% to 80% of its raw materials, which are denominated in U.S. dollars, so exchange rate fluctuations affect the

company's profitability. 2024 and 2025, the company's foreign sales ratio was 56% and 54%, and domestic sales were also denominated in U.S. dollars, so the risk of exchange rate fluctuations has been significantly reduced through natural hedging by hedging revenue and expenses in the same currency. Furthermore, the business department's quotations will also take into account exchange rate fluctuations and reflect them in the quotations in a timely manner. In addition, the finance department collects exchange rate related reports on a regular basis, holds meetings on an irregular basis to study the trend of exchange rates, and selects suitable hedging instruments at the right time to control the risk of exchange rate fluctuations within a certain range.

Analyzing the sensitivity of foreign currency items in circulation in 2025, a 1% appreciation of the NTD against the USD would decrease or increase pre-tax income by NT\$ 13,248 thousand.

3. Inflation

The company's finished products are lead alloy and lead oxide, which are mainly supplied to the livelihood industry, where the products manufactured by these industries are essential for daily life. For example, lead-acid batteries, plastic stabilizers, glazes, lead glass, etc., will not experience significant changes in demand due to changes in the economic environment. In recent years, international raw material prices have been stable, domestic oil prices and public utility rates are less pressure to increase, and interest rates are at a relatively low point, so there is no inflationary impact.

- (2) The company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; The main reasons for the profits/losses generated thereby; and response measures to be taken in the future.

1. The company does not engage in high-risk, highly leveraged investments.

2. The company did not loan funds to others in 2025. If there is a need to loan funds to others, the company follows the relevant regulations of the FSC and the company's "Procedures for Lending Funds to Other Parties".

The company did not provide any endorsement or guarantee in 2023. If there is any endorsement or guarantee, it should be made in accordance with the relevant regulations of the FSC and the company's "Procedures for Endorsement and Guarantee".

3. The company did not engage in derivative financial instruments in 2025. In the future, if the company engages in derivative transactions, it will focus on risk hedging and follow the procedures for derivatives transactions prescribed by the competent authorities, such as the use of foreign exchange options or loans in NTD to hedge the risk of exchange rate fluctuations, and the use of futures hedging or spot delivery operations to hedge changes in raw material prices.

- (3) Research and development work to be carried out in the future, and further expenditures expected for research and development work.

The Company's future R&D plans are to improve production processes, reduce process pollution and assist customers in developing new alloys. The estimated R&D expenses will be NT\$6~8 million.

- (4) Effect on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response.

The company constantly pays attention to important domestic and international policies and legal changes, consults relevant professional units to make assessments, recommends and plans measures to reduce the impact on the company's financial operations.

In the most recent year and up to the date of publication of the prospectus, no such events have occurred.

- (5) Effect on the company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response.

The company keeps track of the technological changes and industrial changes in its industry and sets up a professional team to evaluate the impact on the company's financial operations and take measures in response, as appropriate. In the most recent year and up to the date of publication of the prospectus, no such events have occurred.

- (6) Effect on the company's crisis management of changes in the company's corporate image, and measures to be taken in response.

The company has a good corporate image and has been working quietly with the business philosophy of innovation, quality, and environmental protection to fulfill its corporate responsibility and there has been no corporate crisis caused by the change of corporate image.

- (7) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken. : None

- (8) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken.

The company has not engaged in any plant expansion plan in the most recent year and as of now, therefore, there is no risk of such possibility.

- (9) Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken.

The company's purchase of goods decentralized procurement area and object. In addition to refining lead from waste lead-acid batteries, actively exploring new sources of supply and decentralizing procurement areas around the world to avoid over-concentration of supply sources in one region or country.

Since major automotive and motorcycle manufacturers and end consumers attach great importance to the reliability of lead-acid batteries, there is a high degree of brand concentration. The company's products have passed TS16494 with stable and competitive quality, and all major lead-acid battery manufacturers are our customers, so the sales concentration is slightly higher. To reduce the risk of concentration of sales, the company's business department establishes credit lines for all customers to control the shipment of goods. The finance department also keeps track of the cashing of notes receivable and collection of accounts receivable to avoid bad debts, and no bad debts have occurred.

- (10) Effect upon and risk to the company in the event a major quantity of shares belonging to a director or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken. : None

- (11) Effect upon and risk to company associated with any change in governance personnel or top management, and mitigation measures being or to be taken.

The legal shareholding ratio of all directors of the company is in compliance with the laws and regulations, and the management is committed to improving the performance of the company's operations and maximizing shareholders' equity, thus having a positive impact on the company's management rights and operations.

(12) Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that : (1) Involve the company and/or any company director, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and (2) have been concluded by means of a final and unappeasable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report. : None

(13) Other important risks : None

7. Other important matters : None

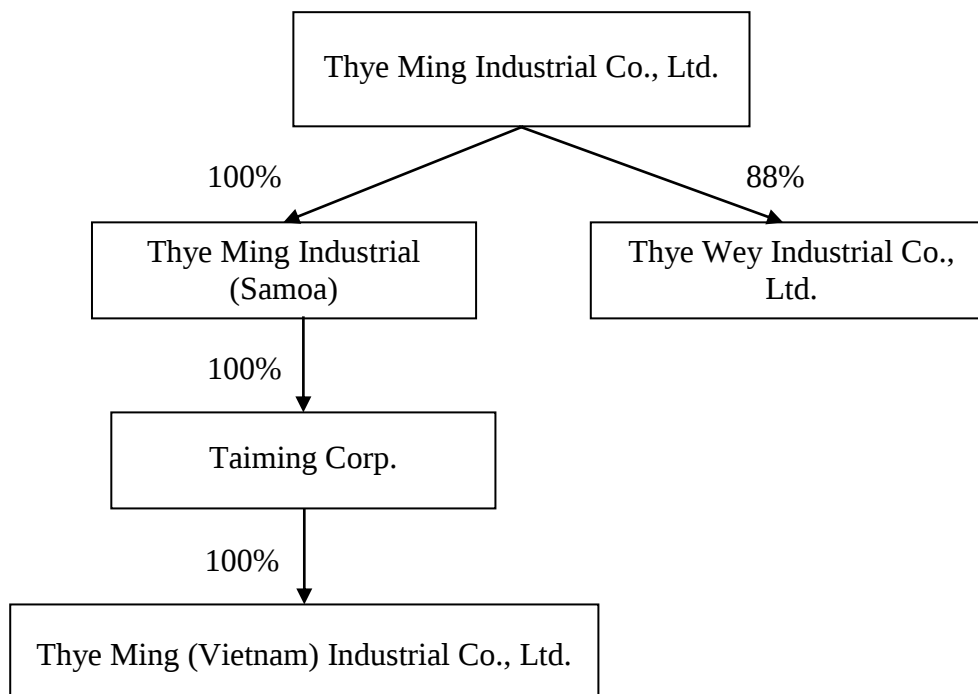
VI. Special Notes

1. Information related to the company's affiliates

(1) Consolidated business report

1. Overview of the affiliate companies

(1) Organizational chart of affiliate companies



(2) Basic information of affiliate companies

December 31, 2025 Unit : NT\$ thousand / foreign currency in dollars

Company Name	Date of incorporation	Address	Paid-in capital	Main business items
Thye Wey Industrial Co., Ltd.	1987.05.28	1Fl., No.6, Juguang 3rd St. Daliao Dist., Kaohsiung City	100,000	General and business waste disposal, recycling business. Trading of used lead-acid batteries, lead slag, etc.
Thye Ming Industrial (Samoa)	2006.11.02	Portcullis TrustNet Chambers, P.O.Box 1225, Apia, Samoa.	USD30,000,000	Investment
Taiming Corp.	2006.11.02	Portcullis TrustNet Chambers, P.O.Box 1225, Apia, Samoa.	USD30,000,000	Investment
Thye Ming (Vietnam) Industrial Co., Ltd.	2006.12.19	Lot C-8A-CN, C-3A-CN, NA5 Road, My Phuoc 2 Industrial Park, Ben Cat Ward, Ho Chi Minh City, Vietnam	USD30,000,000	Production of various lead-based products, used lead-acid batteries and various lead products and plastic recycle and remanufacture

(3) In accordance with Article 369-3 of the Company Act, it is presumed to be in the controlling and subordinate relation. : None

(4) Information on directors, supervisors and managers of affiliates

December 31, 2025

Company name	Title	Name or representative	Share owned	
			Share	%
Thye Wey Industrial Co., Ltd.	Chairman	Mao Shen Investment Co., Ltd.	200,000	2.00%
	Director	Representative : Lee Mao- Shen Tai Lin Investment Co., Ltd.	800,000	8.00%
	Director	Representative : Chen Chang-Hao Thye Ming Industrial Co., Ltd.	8,800,000	88.00%
	Supervisor	Representative : Chen Li-Ming Jin Jun Investment Co., Ltd.	200,000	2.00%
		Representative : Chen, Han-Wen		
Thye Ming Industrial (Samoa)	Chairman	Thye Ming Industrial Co., Ltd. Representative : Chen Li-Ming	30,000,000	100%
Taiming Corp.	Chairman	Thye Ming Industrial (Samoa) Representative : Chen Li-Ming	30,000,000	100%
Thye Ming (Vietnam) Industrial Co., Ltd.	Chairman	Taiming Corp. Representative : Chen Li-Ming	30,000,000	100%

2. Operation Status of affiliate companies

December 31, 2025 Unit : NT \$ thousand

Company name	Capital	Total assets	Total liabilities	Net worth	Operating revenues	Operating interest	Current income (after tax)	Earnings per share (NT\$) (after tax)
Thye Wey Industrial Co., Ltd.	100,000	256,925	20,668	236,257	603,348	22,653	27,680	NA
Thye Ming Industrial (Samoa)	970,497	1,598,914	0	1,598,914	0	0	130,539	NA
Taiming Corp.	970,497	1,598,912	0	1,598,912	0	0	130,539	NA
Thye Ming (Vietnam) Industrial Co., Ltd.	970,497	1,669,280	70,431	1,598,849	3,151,400	153,405	130,538	NA

(2) Consolidated Financial Statements of Affiliate companies

DECLARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2025 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

Thye Ming Industrial Co., Ltd.

By

Chen, Li-Ming
Chairman of the Board

March 13, 2026

(3) Affiliations Report

1. The Company is not a subordinate company under the Company Act, and is not required to prepare an affiliations Report under the regulations.
 2. The Company's subsidiary, Thai Wey Industrial Co., Ltd., is not a publicly listed company and is not required to prepare a relationship report under the regulations.
2. Transaction about the company's private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report : None
3. Other matters that require additional description : None
4. If any of the situations which might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report : None

Thye Ming Industrial Co., Ltd.

Statement of Internal Control System

Date : March 13, 2026

Based on the findings of a self-assessment, the Company states the following with regard to the Internal Control System during the year 2024 :

- 1.The Company recognizes that the establishment, implementation and maintenance of an internal control system is the responsibility of the Company's Board of Directors and management, and that the Company has established such a system. The purpose of this system is to provide reasonable assurance of the effectiveness and efficiency of operations (including profits, operating performance, and safeguarding of assets), reliability of reporting, timeliness, transparency and compliance with applicable laws, regulations, and bylaws.
- 2.An internal control system has inherent limitation. No matter how perfectly designed, an effective internal control system can only provide a reasonable assessment of its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, the Company's internal control system contains self-monitoring mechanisms, which are able to detect and correct defects within the internal control system.
- 3.The Company determines the effectiveness of the design and implementation of the internal control system in accordance with the judgment items of the effectiveness of the internal control system stipulated in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (the "Regulations Governing"). The judgment items of the internal control system adopted in the "Regulations Governing" are divided into five elements based on the management control process : 1. Control environment, 2. Risk assessment, 3. Control activities, 4. Information and communication, and 5. Monitoring activities. Each elements includes a number of items. Please refer to the "Regulations Governing" for the aforementioned items.
- 4.The Company has adopted the above internal control system judgment items to assess the operating effectiveness of each control activity.
- 5.The Company believes, based on the results of the preceding evaluation, that the Company's internal control system (supervising and managing the subsidiaries' business management) as of December 31, 2025, including the understanding of the extent to which effectiveness and efficiency of operations objectives have been achieved, the design and implementation of the internal control system that is reliable, timely, transparent and in compliance with applicable laws, regulations, and bylaws, is effective, and that it can reasonably ensure the achievement of the aforementioned objectives. The Company's internal control system is designed and implemented in a manner that reasonably ensures the achievement of these objectives.
- 6.This statement will be included as the primary content of the Company's annual report and prospectus, and publicly disclosed. Any of the above-mentioned contents shall contain no misrepresentations or nondisclosures, or otherwise the Company shall be subject to legal liabilities prescribed by Article 20, Article 32, Article 171 and Article 174 of the Securities and Exchange Act.
- 7.This statement was approved by the Company's Board of Directors on March 13, 2026. Of the nine directors present, none raised any objection, and the rest of the directors consented to the contents of this statement and hereby declare.

Thye Ming Industrial Co., Ltd.

Chairman : Chen Li-Ming

Signature

General Manager : Lee, Mao- Shen

Signature

Thye Ming Industrial Co., Ltd.

Chairman : Chen Li-Ming