

Stock Code: 5450



南良國際股份有限公司
NAM LIONG GLOBAL CORPORATION

2024 Annual Report (Translation)

Website for inquiry at

Company Website: <http://www.namliong-global.com>

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

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

6. Company Website: <http://www.namliong-global.com>

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I. Letter to the Shareholders

Dear shareholders

In 2024, the Company benefited from increasing demand from key customers for applications in Olympic sports, defense products, medical protective equipment, and renewable and eco-friendly materials. Both revenue and net profit achieved double-digit growth compared to 2023. In addition to strong demand from the Mainland China market, the growth also extended to markets in the United States, Latin America, and Europe. From a product structure perspective, composite materials used in aquatic and underwater products, safety protection equipment, and medical applications all demonstrated positive growth. The Company has actively implemented key strategies, including diversification of customer industries, strict cost control, enhancement of production efficiency, optimization of product mix and order structure, as well as advancement in development and design technologies. These efforts led to strong double-digit operational growth in 2024.

Below is the report on the 2024 and 2025 business plans:

1. 2024 Business Report

(1). 2024 Business Achievement Report

A. Income and Expenses:

- a The Net Operating Revenue in 2024 was NT\$1,681,009 thousand, an increase of NT\$69,349 thousand, compared to the Net Operating Revenue in 2023 of NT\$1,611,660 thousand. The Consolidated Net Revenues in 2024 was NT\$2,669,081 thousand, an increase of NT\$257,283 thousand, compared to the Consolidated Net Revenues in 2023 of NT\$2,411,798 thousand.
- b The Cost of Revenue in 2024 was NT\$1,237,062 thousand, which was 73.59% of the Net Operating Revenue. The Consolidated Cost of Revenue in 2024 was NT\$1,931,002 thousand, which was 72.35% of the Consolidated Net Operating Revenue.
- c The Operating Expenses in 2024 was NT\$371,776 thousand, which was 22.12% of the Net Operating Revenue. The Consolidated Operating Expenses in 2024 was NT\$593,444 thousand, which was 22.23% of the Consolidated Net Operating Revenue.

B. Net Profit

- a The Net Income in 2024 was NT\$137,751 thousand. The Earnings Per Share (EPS) was NT\$1.13.
- b The Consolidated Net Income in 2024 was NT\$137,751 thousand. The Earnings Per Share (EPS) was NT\$1.13.

(2). **Report on Budget Implementation**

Not applicable, the company has not prepared a financial forecast for 2024.

(3). **Analysis of Financial Balance and Profitability**

Unit: NT\$; %

Item	Ratio
Return on Assets (ROA)	4.34
Return on Equity (ROE)	7.89
Profit Before Tax to Capital Stock	15.88
Net profit margin	5.16
Basic earnings per share	1.13

(4). **Research and Development Status**

The Consolidated Research and Development Expense in 2024 was NT\$71,708 thousand, which was 2.69% of the Consolidated Net Operating Revenue.

Textile Composites

- A. In 2024, significant tangible benefits have been gradually realized in the development of Eco-Family initiatives. With materials products oriented towards the principles of Reduce, Replace, and Recycle, they have gained recognition from major brands and consumers, contributing to a revenue in 2024 has grown by more than 50% compared to 2023 and continues to rise. Particularly in the field of polymers, whether in sponge foaming or specialty film products, advancements in the substitution of bio-based materials and the enhancement of substitution ratios to the application of recycled materials have steadily gained market certification and customer recognition. This positions them as products with significant potential for the future.
- B. To implement sustainable low-carbon development, we have developed environmentally friendly manufacturing solutions, including low-solvent processes, solvent-free processes, water-based eco-friendly processes, and waterless dyeing techniques using solution-dyed nylon fabrics. These innovations significantly reduce raw material consumption, VOC emissions, and water usage. In terms of bio-based material applications, we utilize bio-based TPU films, bio-based rubber sponges, bio-based thermoplastic sponges, green symbiotic resin pellets, and bio-based antimicrobial protective garments. These efforts align with brand sustainability requirements while enhancing the competitiveness of our products.
- C. In support of Global Recycled Standard (GRS) product promotion, our initiatives include in-house recycling and reuse technologies, eco-friendly recycled yarns, recyclable mono-materials, the use of recycled content, and PET coating technologies combined with polyester fabrics. These efforts are aligned with the

Company's sustainability roadmap, continuously advancing carbon reduction, carbon footprint management, and carbon inventory projects, thereby laying a solid foundation for expansion into new niche markets.

Chemical Product

- A. Continuously increasing partnerships with advanced development suppliers enables the introduction of novel and unique products, aligning with current market trends centered around environmental protection, energy efficiency, sustainability, and natural materials. Emphasizing environmentally certified products ensures fulfillment of customer and market demands.
- B. To enhance the Company's reputation in various industries, we have proactively introduced antimicrobial plastic materials that cater to more customers and generate higher profits in non-textile business segments.

Electronic Product

In view of the Company's current operational status and cost-saving strategy, and under budgetary constraints, the high-cost energy storage power project has not yielded the expected benefits as scheduled. As a result, focus has shifted toward fulfilling the design and development demands of existing customers, including power solutions for electric tools, high-end displays, and sporting equipment. Additionally, part of the R&D workforce has been allocated to the development of niche plasma equipment, where the integration of patented circuitry research is expected to accelerate the commercialization of high-wattage digital products. This technology utilizes high-voltage ionization of air to achieve thorough surface cleaning and is primarily applied in production processes. Beyond its current applications in the food industry, automotive components, glass manufacturing, and electronics, in the second quarter of 2024, a client successfully extended its use to the textile industry, enhancing the bonding quality of heterogeneous materials. One notable case involves a German manufacturer adopting our partner's product as a direct replacement for a previously proposed Israeli solution. The Company continues to strengthen strategic partnerships to improve material management efficiency, shorten development cycles, and enhance overall service quality.

2. Business Plan for Production and Sales

(1). Operations Strategy

In the face of ongoing challenges in 2025, we aim to leverage the diverse applications of our products to unlock new market opportunities. Our company has always been a Taiwan-based enterprise with a global outlook. This year, we intend to harness Taiwan's energy to facilitate the development of our overseas subsidiaries, which are one of the driving forces of our future growth. Another key focus is the accelerated

development of sustainable green products. Aligning with the increasing trend of ESG recognition among brands and consumers, we will strengthen the market promotion of our green products, expand market share, and establish our image as a partner in the green supply chain, thereby enhancing revenue and profitability. Thirdly, we will maximize the integration of technology, applying it to product and production management for digitization and even intelligence, to create differentiated competitiveness and penetrate advanced segments of the supply chain market.

Textile Composites

A. Continuing alignment with sustainability trends

Building upon the foundation established in 2024, the Company continues to advance its efforts in carbon footprint assessment for products and organizational greenhouse gas inventories. In accordance with ISO14064-1 Greenhouse Gases Specification With Guidance, the Company has completed the 2024 greenhouse gas inventory for its Headquarters, Main Plant, Niao Song Plant, and Ren Ai Plant. The Company is also actively implementing waste reduction initiatives, including waste sorting, recycling, and reuse. The development of Eco-Family products is not only driven by environmental considerations, but also by competitiveness in terms of market expansion and cost reduction. Furthermore, ongoing communication and engagement activities with key stakeholders continue to be a priority.

B. Actively expanding revenue scale

Focusing primarily on the safety protection market, as well as the outdoor and sports & leisure sectors, the Company continues to expand into diversified cross-industry and cross-domain markets. Internally, implementing in-house recycling and reuse technologies for material input, and identifying suppliers capable of providing recycled materials to meet procurement needs. The Company is actively investing in R&D and quality stabilization to support these efforts. We are actively investing in R&D and ensuring product quality stability, aiming to offer customers niche, eco-friendly, and carbon-reducing composite materials. These efforts are supported by comprehensive green R&D processes and certifications to meet the requirements of brand clients and further strengthen the Company's core competitiveness.

C. Strengthening sustainable operational advantages

Combining Taiwan and overseas deployments, we employ a matrix-style management and support system to maximize the development benefits of overseas subsidiaries. With the Taiwan headquarters as the core, the Company coordinates global marketing strategies while optimizing and adjusting approaches for the Mainland China market—particularly designating the East China region as a key area of operational focus. Introducing AI mechanisms enhances quality

management and improves production efficiency, while reinforcing talent retention systems and cultivating local talent. This realizes the core competitiveness of continuous refinement of key advantages. Continuously promoting the PDCA improvement cycle by proactively addressing issues with corrective actions, standardizing successful practices, and reinforcing a culture of accountability within the organization, thereby demonstrating the Company's commitment to deep-rooted sustainability.

Chemical Product

- A. As clients gradually move their production bases overseas and increasingly prefer local delivery as an alternative, the domestic market is facing a declining demand. Therefore, the Company needs to strengthen its export capabilities and retain customers to meet market demand.
- B. Unfavorable factors affecting the development of Taiwan's textile industry such as rising cost, shrinking production scale and declining customer base have had a great impact on the Company's financial performance. One alternative to dealing with the challenges is to develop new opportunities in non-textile industries. For example, enabling additives of chemicals in the plastics industry would be our business target, which has more advantages than the domestic textile industry.

Electronic Product

This year, the Company will leverage its newly restructured and organized team to pursue a steady and strategic path toward turning losses into profits. In addition to providing stable and safe power supplies and continuing the development of next-generation fanless PD 3.1 (Type-C interface) power products, we are expanding into AI-driven healthcare solutions. Efforts are also focused on the design and production of cost-efficient, customer-specification-based competitive power products to boost order volumes. Furthermore, the Company is committed to implementing a new high-margin and stable-order business model-Power Solution-centered on technical service excellence. By integrating the team's accumulated industry experience with cross-departmental expertise in design engineering, compliance engineering, regulatory affairs, and effective project management, we aim to develop differentiated, market-driven products and forge a unique path forward.

(2). Estimated Number of Items Sold

Items	Estimated Number of Items Sold
Textile Composites (Note 1)	173,775,000
Chemical Product (Note 2)	516,000
Electronic Product (Note 3)	1,224,000

Note 1: The product units are PCS, BAG, M and YDS.

Note 2: The product unit is KG.

Note 3: The product unit is PCS.

(3). Key Sales and Marketing Policies

A. Continuing Alignment with Sustainability Trends

Following the international sustainability indicators SASB-Apparel, Accessories, and Footwear for the textile, apparel, and footwear industries, we manage key indicators and continuously develop green materials research and explore green supply chains.

B. Actively expanding revenue scale

Continuously optimizing the promotion tools for green marketing, integrating planning with international green certifications, and combining the value chains upstream and downstream to provide customers with comprehensive solutions for developing trend demands.

C. Strengthening Sustainable Operational Advantages

Through digitized management, we leverage the complementary operational benefits between Taiwan and overseas bases, refine quality management, enhance production efficiency, strengthen the sustainable inheritance of talents and achieving core competitiveness through the enhancement of key advantages.

3. Company Development Strategies

(1). Enhancing innovative research and development to boost core competitiveness continuously

Continuously focusing on the development of high-value composite materials, the Company has established 3 primary principles governing product innovations: Lightweight, High performance and/or with intelligence, and Sustainability, on the manufacturing side, the Company is advancing in the direction of eco-friendly processes, focusing on water-based, solvent-free, low-waste methods, alongside smart, energy-efficient, and carbon-reducing technologies.

(2). Upgrade digital technology to provide real-time and precise management

In order to achieve real-time global management and precise decision-making, we are undergoing comprehensive digital technology upgrades. This includes the continuous enhancement of real-time information in the war room, multidimensional data for analysis, integrating production scheduling, simplifying processes, and includes precise marketing strategy management and the ongoing full implementation of electronic document workflows to enhance management efficiency and effectiveness. By applying information technology across various domains, the Company ensures it maintains a competitive edge in the digital era. Additionally, the company will continue to strengthen information security risk management and maintain information security through the ISO 27001 system framework.

(3). Implement sustainable management with talent sustainability planning

Establishing a skill management system and consistently investing in diversified education and training serve as initiatives to enhance employee capabilities. Simultaneously, initiating a talent sustainability succession plan ensures the company maintains an ample talent pool. This not only contributes to sustainable development but also addresses future changes in market demands and technological trends.

(4). Proactively manage risks and build a strong control mechanism

In accordance with the TCFD framework for climate-related financial disclosures, we aim to understand both the actual and potential climate risks and opportunities, identify and assess their materiality and significance, and formulate various risk prevention, mitigation, and adaptation strategies. This is to enhance our risk management mechanisms, ensuring swift and effective responses to various challenges as they arise.

4. Impacts on Competitive, Legal and General Environment

(1). In response to the issue of climate change and actively invest in green and renewable materials research

2024 is the warmest year on record since 1897, but severe weather continues to affect the world. Due to the influence of the United Nations Framework Convention on Climate Change (UNFCCC), Naliang International is committed to actively phasing out fossil fuels, aligning with key discussion topics at COP 28. Since 2020, the company has successfully replaced heavy oil steam boilers with natural gas steam boilers, thereby reducing carbon emissions. Simultaneously, it continues research and development on green and recycled materials under the Eco-Family initiative, reducing reliance on petroleum and actively engaging in the recycling and reuse of waste, not only contributing to environmental protection but also keeping pace with trends in the international business environment, enhancing the company's sustainability competitiveness.

(2). Diversifying markets and spreading risks through shipments to three locations amidst geopolitical uncertainties and United States– China trade war

In response to the anticipated slowdown in the geopolitical uncertainties and United States-China trade war, the company has adopted a proactive approach by diversifying its markets and spreading risks through shipments to three different locations, currently, the company has multiple distributors/agents and sales operations in over 76 countries. It focuses on various sectors such as the safety and protection market, outdoor leisure and sports market, medical and care market, industrial market, home textile market, automotive materials market, and bedding market, among others. By maintaining competitive advantages in different markets,

the company aims to enhance its resilience and flexibility to cope with uncertain environmental changes, ensuring stable revenue performance

We are grateful for the continued support and encouragement from each shareholder. We look forward to further growing the business with you.

2025 Annual Shareholders' Meeting

Warm regards,

NAM LIONG GLOBAL CORPORATION

Chairman: Shao, Ten-Po

II. Corporate Governance

1. Information on the director, general manager, vice general manager, senior manager, heads of divisions and branches

(1). Profiles of director

Director(1)

April 28, 2025

Title	Nationality or place of incorporation	Name	Gender Age	Date elected	Term (Years)	Date first elected	Shares held when elected		Shares currently held		Spouse & minor shareholding		Shareholding by nominee arrangement		Education and important experience	Selected current Position at NL and Other companies	Executives or Directors who are spouses or within two degrees of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	ZI LIONG ENTERPRISE CO., LTD.	-	June 23, 2022	3	March 5, 2010	88,221,501	72.08	88,221,501	72.07	-	-	-	-	-	-	-	-	-	-
		Representative: Shao, Ten-Po	Male 71~80	June 23, 2022		June 24, 2013	-	-	-	-	-	-	-	-	<ul style="list-style-type: none"> Honorary doctorate of National Chiayi University Honorary doctorate of Chaoyang University of Technology 	<ul style="list-style-type: none"> NL: Chairman Other companies: Note 2 	Director	Hsiao, Chung-Hu	Brother	-
Director	R.O.C.	ZI LIONG ENTERPRISE CO., LTD.	-	June 23, 2022	3	March 5, 2010	88,221,501	72.08	88,221,501	72.07	-	-	-	-	-	-	-	-	-	-
		Representative: Hsiao, Chung-Hu	Male 61~70	June 23, 2022		March 5, 2010	-	-	-	-	-	-	-	-	<ul style="list-style-type: none"> EMBA MA, Asia Management College 	<ul style="list-style-type: none"> NL: None Other companies: Note 3 	Chairman	Shao, Ten-Po	Brother	-

April 28, 2025

Title	Nationality or place of incorporation	Name	Gender Age	Date elected	Term (Years)	Date first elected	Shares held when elected		Shares currently held		Spouse & minor shareholding		Shareholding by nominee arrangement		Education and important experience	Selected current Position at NL and Other companies	Executives or Directors who are spouses or within two degrees of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	R.O.C.	Chang, Shun-Ching	Male 61~70	June 23, 2022	3	October 1, 2019	-	-	-	-	-	-	-	-	<ul style="list-style-type: none"> Chemical Engineering BA, Feng Chia University Vice General Manager, NL 	<ul style="list-style-type: none"> NL: None Other companies: Note 4 	-	-	-	-
Director	R.O.C.	Pai, Ching-Jen	Male 51~60	June 23, 2022	3	March 5, 2010	-	-	-	-	-	-	-	-	<ul style="list-style-type: none"> Graduate Institute of Finance MA, National Cheng Kung University Executive Senior Manager, NL 	<ul style="list-style-type: none"> NL: Vice General Manager of Finance & Chief Financial Officer Other companies: Note 5 	-	-	-	-
Director	R.O.C.	Hsiao, Yu-Chiao	Female 41~50	June 23, 2022	3	June 24, 2013	-	-	-	-	-	-	-	-	<ul style="list-style-type: none"> Pacific Lutheran University General Business Administration Business Office Lead, DONGGUAN PROPREENE SPORTING GOODS CO.,LTD Operation Director, Xu Tai Sports Bag Co., Ltd. 	<ul style="list-style-type: none"> NL: Senior Manager Other companies: Note 6 	Chairman	Shao, Ten-Po	Father/ Daughter	-

April 28, 2025

Title	Nationality or place of incorporation	Name	Gender Age	Date elected	Term (Years)	Date first elected	Shares held when elected		Shares currently held		Spouse & minor shareholding		Shareholding by nominee arrangement		Education and important experience	Selected current Position at NL and Other companies	Executives or Directors who are spouses or within two degrees of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	R.O.C.	EVER DEVELOPMENT INVESTMENT CO., LTD.	-	June 23, 2022	3	June 20, 2016	537,760	0.44	1,357,760	1.11	-	-	-	-	-	-	-	-	-	-
		Representative: Wang, Shih-Ting	Female 41~50	June 23, 2022		June 23, 2022	-	-	-	-	-	-	-	-	<ul style="list-style-type: none"> • Business Management MA, National Cheng Kung University • Senior Manager, NL 	<ul style="list-style-type: none"> • NL: Executive Senior Manager • Other companies: Note 7 	-	-	-	-
Independent Director	R.O.C.	Huang, Chung-Hui	Male 61~70	June 23, 2022	3	June 20, 2016	-	-	-	-	-	-	-	-	<ul style="list-style-type: none"> • EMBA, National Cheng Kung University • CPA, Ernst & Young Global Limited • Contractor specialist professor, Southern Taiwan University of Science and Technology • Contractor instructor, National Cheng Kung University 	<ul style="list-style-type: none"> • NL: None • Other companies: Note 8 	-	-	-	-

April 28, 2025

Title	Nationality or place of incorporation	Name	Gender Age	Date elected	Term (Years)	Date first elected	Shares held when elected		Shares currently held		Spouse & minor shareholding		Shareholding by nominee arrangement		Education and important experience	Selected current Position at NL and Other companies	Executives or Directors who are spouses or within two degrees of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	R.O.C.	Huang, Wen-Ming	Male 71~80	June 23, 2022	3	June 25, 2019	-	-	-	-	-	-	-	-	<ul style="list-style-type: none"> • EMBA, National Cheng Kung University • Manager, Taiwan Bank 	<ul style="list-style-type: none"> • NL: None • Other companies: None 	-	-	-	-
Independent Director	R.O.C.	Tsao, Ching-Ming	Male 61~70	June 23, 2022	3	June 23, 2022	-	-	-	-	-	-	-	-	<ul style="list-style-type: none"> • EMBA, National Cheng Kung University • Financial Manager, FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD. • Audit Lead, Ernst & Young Global Limited 	<ul style="list-style-type: none"> • NL: None • Other companies: Note 9 	-	-	-	-

Note 1: If the Chairman and General Manager or a person of equivalent position (top manager) are the same person, spouse or first-degree relative, the reasons, rationality, necessity and corresponding measures (such as increasing the number of Independent Directors and ensuring that more than half of the Directors are not concurrently employees or managers) should be stated in the remarks column: None.

Note 2: Chairman, U-LONG HIGH-TECH TEXTILE CO., LTD., Chairman, UNION LINE TEXTILE CO., LTD., Chairman, , Chairman, Skycosmos Sport and outdoor products Ltd., Chairman, TIONG LIONG INDUSTRIAL CO., LTD., Chairman, DECORTEC HOLDING CO., LTD., Chairman, TIEN JIANG ENTERPRISE CO., LTD., Chairman, HONG LIONG TEXTILE CO., LTD., Chairman, Bi Hai Entertainment Co., Ltd., Chairman, EVER THRIVING INTERNATIONAL INVESTMENT CO., LTD., Chairman, EVER DEVELOPMENT INVESTMENT CO., LTD., Chairman, JSM Agricultural Development Co., Ltd., Chairman, Gu Hong Investment CO., LTD., Chairman, ZI LIONG ENTERPRISE CO., LTD., Chairman, Gu Yi Investment CO., LTD., Chairman, Shi Jin Culture and Art Co., Ltd., Chairman, Jiafeng Maoliang Investment Co., Ltd., Chairman, Quanye Kangyang Development Co., Ltd., Chairman, Liongtex Innovation Enterprises Co., Ltd., Chairman, Qi Hong Investment CO., LTD., Chairman, HONG LI TEXTILE CO., LTD., Chairman (Corporate Representative), TrueLove Aquatic Solar Power Co., Ltd., Chairman (Corporate Representative), TrueLove Farm and Aquatic Solar Power Co., Ltd., Chairman (Corporate Representative), Tian Mao Investment Holding Co., Ltd., Chairman (Corporate Representative), GREENRAY BIOMEDICAL CO., LTD., Chairman (Corporate Representative), AGRO-GREEN INTERNATIONAL CO., LTD., Chairman (Corporate Representative), TrueLove Solar Power Co., Ltd., Chairman (Corporate Representative), SICOM ENTERPRISE CO., LTD., Legal representative, Winning Industrial Co.,Ltd., Director, GREAT & MAGNIFICENT CO., LTD., Director, Universal Mean Great Health Technology Co., Ltd., Director, E-LIONG GREEN ENGINEERING TECHNOLOGY CO., LTD., Director (Corporate Representative), DECORTEC CO., LTD., Director (Corporate Representative), Heng Ding Biotechnology Co., Ltd.,

Director (Corporate Representative), Yuan Yun Food Co., Ltd., Director (Corporate Representative), Chia Yuan BioTech Co., Ltd., Director (Corporate Representative), GREENRAYS INTERNATIONAL CO., LTD., Supervisor (Corporate Representative), Fuqing Hong Liong Textile Technology Co., Ltd., Director, HONG LIONG TEXTILE CO., LTD. (Hong Kong), Director, GREAT FORTUNE HOLDING Co., Ltd., Director, Sino Max International Holding Co., Ltd., Director, GreatHealth Industry Development Co., Ltd., Director, Sino Max International (Cayman) Corporation, Director, Manulife International Holdings Limited (SAMOA).

Note 3: Chairman, Xin Yan Investment CO., LTD., Chairman (Corporate Representative), ELEMENTECH INTERNATIONAL CO., LTD., Chairman (Corporate Representative), DECORTEC CO., LTD., Chairman (Corporate Representative), GREENCHEM INTERNATIONAL CO., LTD., Legal representative, Zhongshan Tiongliong Tech-textile Technology Co., Ltd., Director, TIONG LIONG INDUSTRIAL CO., LTD., Director, ZI LIONG ENTERPRISE CO., LTD., Director, U-LONG HIGH-TECH TEXTILE CO., LTD., Director, UNION LINE TEXTILE CO., LTD., Director, Blue Coast Entertainment Co., Ltd., Director (Corporate Representative), ETERNALCARE BUSINESS LTD., Director (Corporate Representative), Jiafeng Maoliang Investment Co., Ltd., Supervisor, TIEN JIANG ENTERPRISE CO., LTD., Supervisor, DECORTEC HOLDING CO., LTD., Supervisor, HONG LIONG TEXTILE CO., LTD., Supervisor (Corporate Representative), AGRO-GREEN INTERNATIONAL CO., LTD., Supervisor (Corporate Representative), Liongtex Innovation Enterprises Co., Ltd., Director (Corporate Representative), Shanghai Huiliang Textile Accessories Co., Ltd., Director (Corporate Representative), Vietnam Zhongju Industrial Co., Ltd., Director (Corporate Representative), Vietnam Tronjen Industrial Co., Ltd., Director, TA HSIN COMPANY LIMITED (Hong Kong), Director, Tiong Liong Holdings (Hong Kong) Co., Ltd., Director, Precise Asia Holdings Ltd., Director, Realpro Holdings Ltd., Director, First Win Group Ltd., Director, Global Strategy Investment Limited, Director (Corporate Representative), TJONG CHUN INTERNATIONAL, PT.

Note 4: Director, Jiafeng Maoliang Investment Co., Ltd., Director (Corporate Representative), Nantec Textile Co., Ltd. °

Note 5: Chairman, EARS MANAGEMENT & CONSULTANT COMPANY, Chairman (Corporate Representative), ETERNALCARE BIOTECH INC., Director, EVER DEVELOPMENT INVESTMENT CO., LTD., Director, E-LIONG GREEN ENGINEERING TECHNOLOGY CO., LTD., Director, JSM Agricultural Development Co., Ltd., Director, YOHO BEACH RESORT CO., LTD., Director, TrueLove Energy Storage Tech, INC., Director, Sheng Yang Fishery Co., Ltd., Director (Corporate Representative), ELEMENTECH INTERNATIONAL CO., LTD., Supervisor, Gu Hong Investment CO., LTD., Supervisor, ETERNALCARE BUSINESS LTD., Supervisor, Quanye Kangyang Development Co., Ltd., Supervisor, Universal Mean Great Health Technology Co., Ltd., Supervisor, CHENG LIANG INVESTMENT CO., LTD., Supervisor, EVER THRIVING INTERNATIONAL INVESTMENT CO., LTD., Supervisors (Corporate Representative), GREENCHEM INTERNATIONAL CO., LTD., Supervisor (Corporate Representative), GREENRAY BIOMEDICAL CO., LTD., Supervisor (Corporate Representative), Jiafeng Maoliang Investment Co., Ltd., Supervisor (Corporate Representative), GREENRAYS INTERNATIONAL CO., LTD., Director (Corporate Representative), DONG GUAN NAM GUANG RUBBER&PLASTIC MANUFACTURES CO., LTD., Director (Corporate Representative), DONG GUAN NAMDE RUBBER&PLASTIC MANUFACTURES CO., LTD., Supervisors (Corporate Representative), DONG GUAN NAMLIONG RUBBER MANUFACTURES CO., LTD. , Director, SHAO EN ENERGY PTE. LTD. , Director, TA HSIN COMPANY LIMITED (Hong Kong), Director, JIN LIAMY ENTERPRISE COMPANY LIMITED (Hong Kong) Director, CROWN DREAM DEVELOPMENT LIMITED (Hong Kong), Director, ELEMENTECH (HONG KONG) LIMITED, Director, NAM LIONG(H.K.) CO., LIMITED, Director, JSM Agricultural Development (Hong Kong) Co., Ltd., Director, HONG LIONG TEXTILE CO., LTD. (Hong Kong), Director, Gold Formosa Ltd.

Note 6: Chairman, ETERNALCARE BUSINESS LTD., Chairman, CHENG LIANG INVESTMENT CO., LTD., Chairman (Corporate Representative), MINHE HEALTH CARE CO., LTD., Chairman (Corporate Representative), HUI LIANG INDUSTRIAL CO., LTD., LEGAL REPRESENTATIVE, SUZHOU GREATSUN ELECTRONICS & COMMUNICATIONS CO., LTD., LEGAL REPRESENTATIVE, DONG GUAN NAMLIONG RUBBER MANUFACTURES CO., LTD., Legal representative, ONGGUAN PROPENE SPORTING GOODS CO., LTD., Director, CATHAY CONSOLIDATED INC., Director, ORIENTAL GREEN ENERGY TECHNOLOGY INC., Director, EARS MANAGEMENT & CONSULTANT COMPANY, Director, EVER DEVELOPMENT INVESTMENT CO., LTD., Director (Corporate Representative), ELEMENTECH INTERNATIONAL CO., LTD., Director (Corporate Representative), TAYUN PHOTONICS INC., Director (Corporate Representative), JSM Green Field (Taiwan) CO., LTD., Supervisors (Corporate Representative), JSM Agricultural Development Co., Ltd., Supervisors (Corporate Representative), Skycosmos Sport and outdoor products Ltd., Director (Corporate Representative), DONG GUAN NAM GUANG RUBBER&PLASTIC MANUFACTURES CO., LTD., Director, JSM Agricultural Development (Hong Kong) Co., Ltd., Director, TA HSIN COMPANY LIMITED (Hong Kong), Director, Hui Liang (HK) Co., Limited.

Note 7: Chairman, Cheng Zhe Investment Co., Ltd., Chairman Corporate Representative), Longmen Seaview Resort Co., Ltd., Legal representative, JIAXING NANXIONG POLYMER CO., LTD., Director, ZI LIONG ENTERPRISE CO., LTD., Director, Universal Mean Great Health Technology Co., Ltd., Director (Corporate Representative), U-LONG HIGH-TECH TEXTILE CO., LTD., Supervisors, TIONG LIONG INDUSTRIAL CO., LTD. °

Note 8: Independent Director, O-TA PRECISION INDUSTRY CO., LTD., Independent Director, FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD.

Note 9: Consultant, FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD., General Manager, JUNG SHEN TECHNOLOGY CO., LTD.

Table 1: Profiles of dominant shareholders of institutional shareholders

April 28, 2025

Name of Institutional Shareholders	Main Shareholders of Institutional Shareholders
ZI LIONG ENTERPRISE CO., LTD.	Shao, Ten-Po 22.77%, Gu Yi Investment CO., LTD. 19.91%, Xin Yan Investment CO., LTD. 15.57%, Hung, Chun-Chih 8.13%, Hsiao, Jung-Chu 6.24%, Cheng Zhe Investment Co., Ltd. 4.13%, Hsiao, Chung-Hu 3.72%, Qi Hong Investment CO., LTD. 3.51%, Li, Jung-Liang 3.12%, Ku, Chia-Sheng 3.12%
EVER DEVELOPMENT INVESTMENT CO., LTD.	Shao, Ten-Po 79.36%, Hsiao, Chung-Hu 20.64%

Table 2: Main shareholders of institutional shareholders

April 28, 2025

Name of Institutional Shareholders	Main Shareholders of Institutional Shareholders
Gu Yi Investment CO., LTD.	Shao, Ten-Po 91.75%, Lin, Hsiu-E 8.25%
Xin Yan Investment CO., LTD.	Hsiao, Chung-Hu 68.51%, Shao, Ten-Po 26.39%, Lai, Yu-Li 5.10%
Cheng Zhe Investment Co., Ltd.	Wang, Chen-Che 19.10%, Chen, Yu 19.10%, Wang Huang, Pi-Yun 17.80%, Wang, Shih-Ting 12.90%, Wang, Chien-Chao 11.80%, Wang, Chuan-Cheng 10.00%, Chen, Yi-Hsiao 9.30%
Qi Hong Investment CO., LTD.	Hung, Chun-Chih 73.81%, Shao, Ten-Po 26.19%

Director(2)

A. Directors' professional qualifications and independence analysis

Qualification Name	Professional qualifications and experience	Independence status (Note)	Number of Other Listed Companies Concurrently Serving as an Independent Director
Chairman: ZI LIONG ENTERPRISE CO., LTD. Representative: Shao, Ten-Po	1. Please refer to Director(1) (P9~15) for details on qualification and experience of directors. 2. No director is of matters stated in Art. 30 of Company Act.	N/A	-
Director: ZI LIONG ENTERPRISE CO., LTD. Representative: Hsiao, Chung-Hu			-
Director: Chang, Shun-Ching			-
Director: Pai, Ching-Jen			-
Director: Hsiao, Yu-Chiao			-
Director: EVER DEVELOPMENT INVESTMENT CO., LTD. Representative: Wang, Shih-Ting		All of the following situations apply to each and every of the Independent Directors: 1. Requirements from Financial Supervisory Commission R.O.C. Art 14-2 of Securities and Exchange Act and Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies (Note). 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any NL shares. 3. No remunerated commercial, legal, financial, accounting, or other service by the company or its affiliated companies within the past two years.	-
Independent Director: Huang, Chung-Hui			2
Independent Director: Huang, Wen-Ming			-
Independent Director: Tsao, Ching-Ming			-

Note: 1. Authority, legal person or one's behalf other than stated by Art. 27 of Company Act.

2. An independent director by other listed companies of which the number is equal to or under three.

3. Not of any following matters for the past two years prior to and during service:

(1) An employee by the company or its affiliated companies.

(2) A director or supervisor by the company or its affiliated companies.

(3) A shareholder, or whose spouse or minor children, or a substantial shareholder with a shareholding ratio over 1% or from top 10 of the company as natural person.

- (4) Manager of No. 1 or spouse, kinship within second grade, or immediate family within third grade of whom from aforementioned two items.
- (5) A director, supervisor, or employee by legal person whose direct shareholding ratio of listed shares exceeds five percent, from top 5 by the company, or an appointed behalf as a director or supervisor of whom by the company pursuant to Art. 27-1 or 2 of Company Act.
- (6) A director, supervisor, or employee in control of over half of Board of directors' seats or shareholding ratio of voting rights by the company or other companies.
- (7) With a second title as chairman, general manager, or an equivalent position, or spouse of whom by the company or other companies or institutes, director (chief), supervisor (chief), or employee by other companies or institutes.
- (8) A director(chief), supervisor(chief), manager by a specific company or institute of financial or business liaisons with the company, or a shareholder with a shareholding ratio over five percent of the company.
- (9) A specialist having audited or having been remunerated over five hundred thousand NTD with the past two years for one's commercial, legal, financial, accounting, or other relevant services, corporate owner, corporate partner, director (chief), supervisor (chief), manager with sole, partner proprietorship by the company or affiliated companies, and spouse of whom, to which in case a member of Remuneration Committee, Public Tender Review Committee or Special Merger Committee who exercises one's power pursuant to the act or regarding provisions of Business Mergers And Acquisitions Act, is not subject.

B. Diversity and independence of Board of Directors

a Diversity policy of Board of Directors

Board of Directors by the company is elected with rigorous process, in consideration of background diversity, profession, and experience. Reputation of one's ethics practice and leadership is appreciated as well.

The current Board of Directors consists of 9 members, including 3 Independent Directors and 6 Non-Independent Directors. All Directors possess extensive industry knowledge and operational experience.

Among the Directors, 56% are also employees of the Company, Independent Directors account for 33%, and female Directors account for 22%. In terms of tenure, one Independent Director has served less than 3 years, one has served between 4 to 6 years, and one has served between 7 to 9 years. Regarding age distribution, 2 Directors are aged over 71, 4 are between 61 and 70 years old, and 3 are under 60 years of age.

The company is committed to promoting gender equality within the Board. We aim to increase the proportion of female Directors to one-third (i.e., 33%) or more. Currently, the Board comprises 78% male Directors (7 members) and 22% female Directors (2 members). Additional female Directors will be appointed in the next term to achieve this goal.

Diversity implementation of Board of Directors as following:

Talent Director Name	Gender	Operational judgement	Accounting and financial analyticity	Operation & management	Risk- solving	Industrial understanding	International market understanding	Leadership	Decision- making
ZI LIONG ENTERPRISE CO., LTD. Representative: Shao, Ten-Po	M	✓		✓	✓	✓	✓	✓	✓
ZI LIONG ENTERPRISE CO., LTD. Representative: Hsiao, Chung-Hu	M	✓		✓	✓	✓	✓	✓	✓
Chang, Shun-Ching	M	✓		✓	✓	✓	✓	✓	✓
Pai, Ching-Jen	M	✓	✓	✓	✓	✓		✓	✓
Hsiao, Yu-Chiao	F	✓		✓	✓	✓	✓	✓	✓
EVER DEVELOPMENT INVESTMENT CO., LTD. Representative: Wang, Shih-Ting	F	✓		✓	✓	✓	✓	✓	✓
Huang, Chung-Hui	M	✓	✓	✓	✓	✓		✓	✓
Huang, Wen-Ming	M	✓	✓	✓	✓	✓			✓
Tsao, Ching-Ming	M	✓	✓	✓	✓	✓	✓		✓

b Independence of Board of Directors

The company has 9 director seats, including 3 independent director seats, accounting 33.33%. No member from the Board of Directors has items stated in Securities and Exchange Act Art. 26-3 No.3 & No.4; 3 directors are either spouses or kinship within second grade, which does not exceed half of director seats.

(2). General manager, vice general manager, senior manager, heads of divisions and branches

April 28, 2025

Title	Nationality	Name	Gender	Service date of first term	Shares held		Spouse & minor shareholding		Shareholding by nominee arrangement		Education and important experience	Selected current position at other companies	Executives, Directors, or Supervisors who are spouses or within two degrees of kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	Shao, Ten-Po	M	June 23, 2022	-	-	-	-	-	-	<ul style="list-style-type: none"> Honorary doctorate of National Chiayi University Honorary doctorate of Chaoyang University of Technology 	Note 1	-	-	-	-
Strategy Director	R.O.C.	Wang, Chuan-Cheng	M	December 31, 2020	-	-	-	-	-	-	<ul style="list-style-type: none"> 5 year junior college mechanical engineering programme, The Affiliated Senior Industrial Vocational Continuing Education High School of National Cheng Kung University Vice Chairman of NAM LIONG ENTERPRISE CO., LTD. 	Note 2	-	-	-	-
General Manager	R.O.C.	Wang, Kelly (Wang, Ling-Shuang)	F	January 1, 2025	-	-	-	-	-	-	<ul style="list-style-type: none"> Faculty of Business, Economics & Law, The University of Queensland Vice General Manager, NL 	None	-	-	-	-

April 28, 2025

Title	Nationality	Name	Gender	Service date of first term	Shares held		Spouse & minor shareholding		Shareholding by nominee arrangement		Education and important experience	Selected current position at other companies	Executives, Directors, or Supervisors who are spouses or within two degrees of kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Vice General Manager of Finance & Chief Financial Officer	R.O.C.	Pai, Ching-Jen	M	December 31, 2020	-	-	-	-	-	-	<ul style="list-style-type: none"> Graduate Institute of Finance MA, National Cheng Kung University Senior Manager, NL 	Note 3	-	-	-	-
Executive Senior Manager	R.O.C.	Wang, Shih-Ting	F	December 18, 2024	-	-	-	-	-	-	<ul style="list-style-type: none"> Business Management MA, National Cheng Kung University Senior Manager, NL 	Note 4	-	-	-	-
Accounting Manager / Corporate Governance Officer	R.O.C.	Su, Meng-Hsu	F	August 16, 2016	-	-	-	-	-	-	<ul style="list-style-type: none"> Graduate Institute of Accounting MA, Yuan Ze University Assistant manager, Deloitte & Touche 	None	-	-	-	-
Finance Manager	R.O.C.	Chiu, Shu-Chen	F	July 01, 2023	-	-	-	-	-	-	<ul style="list-style-type: none"> Department of Accounting, Fu Jen Catholic University Manager, NL 	Note 5	-	-	-	-

Note 1: Chairman, U-LONG HIGH-TECH TEXTILE CO., LTD., Chairman, UNION LINE TEXTILE CO., LTD., Chairman, Skycosmos Sport and outdoor products Ltd., Chairman, TIONG LIONG INDUSTRIAL CO., LTD., Chairman, DECORTEC HOLDING CO., LTD., Chairman, TIEN JIANG ENTERPRISE CO., LTD., Chairman, HONG LIONG TEXTILE CO., LTD., Chairman, Bi Hai Entertainment Co., Ltd., Chairman, EVER THRIVING INTERNATIONAL INVESTMENT CO., LTD., Chairman, EVER DEVELOPMENT INVESTMENT CO., LTD., Chairman, JSM Agricultural Development Co., Ltd., Chairman, Gu Hong Investment CO., LTD., Chairman, ZI LIONG ENTERPRISE CO., LTD., Chairman, Gu Yi Investment CO., LTD., Chairman, Shi Jin Culture and Art Co., Ltd., Chairman, Jiafeng Maoliang Investment Co., Ltd., Chairman, Quanye Kangyang Development Co., Ltd., Chairman, Liongtex Innovation Enterprises Co., Ltd., Chairman, Qi Hong Investment CO., LTD., Chairman, HONG LI TEXTILE CO., LTD., Chairman (Corporate Representative), TrueLove Aquatic Solar Power Co., Ltd., Chairman (Corporate Representative), TrueLove Farm and Aquatic Solar Power Co., Ltd., Chairman (Corporate Representative), Tian Mao Investment Holding Co., Ltd., Chairman (Corporate Representative), GREENRAY BIOMEDICAL CO., LTD., Chairman (Corporate Representative), AGRO-GREEN INTERNATIONAL CO., LTD., Chairman

(Corporate Representative), TrueLove Solar Power Co., Ltd., Chairman (Corporate Representative), SICOM ENTERPRISE CO., LTD., Legal representative, Winning Industrial Co.,Ltd., Director, GREAT & MAGNIFICENT CO., LTD., Director, Universal Mean Great Health Technology Co., Ltd., Director, E-LIONG GREEN ENGINEERING TECHNOLOGY CO., LTD., Director (Corporate Representative), DECORTEC CO., LTD., Director (Corporate Representative), Heng Ding Biotechnology Co., Ltd., Director (Corporate Representative), Yuan Yun Food Co., Ltd., Director (Corporate Representative), Chia Yuan BioTech Co., Ltd., Director (Corporate Representative), GREENRAYS INTERNATIONAL CO., LTD., Supervisor (Corporate Representative), Fuqing Hong Liong Textile Technology Co., Ltd., Director, HONG LIONG TEXTILE CO., LTD. (Hong Kong), Director, GREAT FORTUNE HOLDING Co., Ltd., Director, Sino Max International Holding Co., Ltd., Director, GreatHealth Industry Development Co., Ltd., Director, Sino Max International (Cayman) Corporation, Director, Manulife International Holdings Limited (SAMOA).

Note 2: Director, JSM Agricultural Development Co., Ltd., Director, UNION LINE TEXTILE CO., LTD., Director (Corporate Representative), Jiafeng Maoliang Investment Co., Ltd.

Note 3: Chairman, EARS MANAGEMENT & CONSULTANT COMPANY, Chairman (Corporate Representative), ETERNALCARE BIOTECH INC., Director, EVER DEVELOPMENT INVESTMENT CO., LTD., Director, E-LIONG GREEN ENGINEERING TECHNOLOGY CO., LTD., Director, JSM Agricultural Development Co., Ltd., Director, YOHO BEACH RESORT CO., LTD., Director, TrueLove Energy Storage Tech, INC., Director, Sheng Yang Fishery Co., Ltd., Director (Corporate Representative), ELEMENTECH INTERNATIONAL CO., LTD., Supervisor, Gu Hong Investment CO., LTD., Supervisor, ETERNALCARE BUSINESS LTD., Supervisor, Quanye Kangyang Development Co., Ltd., Supervisor, Universal Mean Great Health Technology Co., Ltd., Supervisor, CHENG LIANG INVESTMENT CO., LTD., Supervisor, EVER THRIVING INTERNATIONAL INVESTMENT CO., LTD., Supervisors (Corporate Representative), GREENCHEM INTERNATIONAL CO., LTD., Supervisor (Corporate Representative), GREENRAY BIOMEDICAL CO., LTD., Supervisor (Corporate Representative), Jiafeng Maoliang Investment Co., Ltd., Supervisor (Corporate Representative), GREENRAYS INTERNATIONAL CO., LTD., Director (Corporate Representative), DONG GUAN NAM GUANG RUBBER&PLASTIC MANUFACTURES CO., LTD., Director (Corporate Representative), DONG GUAN NAMDE RUBBER&PLASTIC MANUFACTURES CO., LTD., Supervisors (Corporate Representative), DONG GUAN NAMLIONG RUBBER MANUFACTURES CO., LTD. , Director, SHAO EN ENERGY PTE. LTD. , Director, TA HSIN COMPANY LIMITED (Hong Kong), Director, JIN LIAMY ENTERPRISE COMPANY LIMITED (Hong Kong), Director, CROWN DREAM DEVELOPMENT LIMITED (Hong Kong), Director, ELEMENTECH (HONG KONG) LIMITED, Director, NAM LIONG(H.K.) CO., LIMITED, Director, JSM Agricultural Development (Hong Kong) Co., Ltd., Director, HONG LIONG TEXTILE CO., LTD. (Hong Kong), Director, Gold Formosa Ltd.

Note 4: Chairman, Cheng Zhe Investment Co., Ltd., Chairman (Corporate Representative), Longmen Seaview Resort Co., Ltd., Legal representative, JIAXING NANXIONG POLYMER CO., LTD., Director, ZI LIONG ENTERPRISE CO., LTD., Director, Universal Mean Great Health Technology Co., Ltd., Director (Corporate Representative), U-LONG HIGH-TECH TEXTILE CO., LTD., Supervisor, TIONG LIONG INDUSTRIAL CO., LTD.

Note 5: Supervisors (Corporate Representative), JIAXING NANXIONG POLYMER CO., LTD., Supervisors(Corporate Representative), DONG GUAN NAM GUANG RUBBER&PLASTIC MANUFACTURES CO., LTD., Director (Corporate Representative), DONG GUAN NAMDE RUBBER&PLASTIC MANUFACTURES CO., LTD.

2. Director(including independent director), general manager and vice general manager remuneration

(1). Remuneration paid to directors and independent directors for the year 2024

Unit: NT\$ thousands

Title	Name	Director remuneration								Amount and ratio of total A, B, C, and D to net income after tax		Remuneration received as employee								Amount and ratio of total A, B, C, D, E, F and G to net income after tax		Remuneration from a non-subsidiary investee company or parent company
		Remuneration (A)		Pension (B)		Director remuneration (C)(Note)		Operation fee (D)				Salaries, bonus, and special allowance, etc. (E)		Pension (F)		Employee remuneration (G)(Note)						
		NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL		All Consolidated Entities	NL	All Consolidated Entities		
Chairman	ZI LIONG ENTERPRISE CO., LTD. Representative: Shao, Ten-Po	-	-	-	-	150	150	36	36	186 0.14%	186 0.14%	5,659	5,659	-	-	-	-	-	-	5,845 4.24%	5,845 4.24%	-
Director	ZI LIONG ENTERPRISE CO., LTD. Representative: Hsiao, Chung-Hu	-	600	-	-	150	730	24	722	174 0.13%	2,052 1.49%	-	-	-	-	-	-	-	-	174 0.13%	2,052 1.49%	-
Director	Chang, Shun-Ching	-	-	-	-	150	150	30	30	180 0.13%	180 0.13%	4,496	4,496	108	108	-	-	-	-	4,784 3.47%	4,784 3.47%	-
Director	Pai, Ching-Jen	-	-	-	-	150	343	36	120	186 0.14%	463 0.34%	1,980	1,980	84	84	21	-	21	-	2,271 1.65%	2,548 1.85%	-
Director	Hsiao, Yu-Chiao	-	-	-	-	150	150	36	60	186 0.14%	210 0.15%	1,400	1,400	82	82	-	-	-	-	1,668 1.21%	1,692 1.23%	-

Unit: NT\$ thousands

Title	Name	Director remuneration								Amount and ratio of total A, B, C, and D to net income after tax		Remuneration received as employee								Amount and ratio of total A, B, C, D, E, F and G to net income after tax		Remuneration from a non-subsidiary investee company or parent company
		Remuneration (A)		Pension (B)		Director remuneration (C)(Note)		Operation fee (D)				Salaries, bonus, and special allowance, etc. (E)		Pension (F)		Employee remuneration (G)(Note)						
		NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL		All Consolidated Entities		NL	All Consolidated Entities	
Director	EVER DEVELOPMENT INVESTMENT CO., LTD. Representative: Wang, Shih-Ting	-	-	-	-	150	150	36	36	186 0.14%	186 0.14%	1,383	1,383	76	76	-	-	-	-	1,645 1.19%	1,645 1.19%	-
Independent Director	Huang, Chung-Hui	368	368	-	-	150	150	201	201	719 0.52%	719 0.52%	-	-	-	-	-	-	-	-	719 0.52%	719 0.52%	-
Independent Director	Huang, Wen-Ming	368	368	-	-	150	150	201	201	719 0.52%	719 0.52%	-	-	-	-	-	-	-	-	719 0.52%	719 0.52%	-
Independent Director	Tsao, Ching-Ming	368	368	-	-	150	150	201	201	719 0.52%	719 0.52%	-	-	-	-	-	-	-	-	719 0.52%	719 0.52%	-

1. Please specify remuneration policy, system, standard and structure for independent directors, and justify in terms of their scope, risk, work time and other associating factors with remuneration:
Independent director remuneration depends on one's participation and contribution to company operation and is remunerated on a monthly basis and fixed amount. No floating bonus. Independent directors are obliged to supervise and contact the management of the company for company information regularly. The current annual remuneration is reasonable.
2. Besides aforesaid disclosure, please specify the remuneration from service at any company stated in the Business Report of Board of Directors (E.g. Parent company/any company from financial statement/Third-party investee other than employees' advisor, etc.): None.

Note: Director remuneration and employee remuneration for 2024 have been adopted by Board of Directors votes.

(2). Remuneration paid to general manager and vice general manager for the year 2024

Unit: NT\$ thousands

Title	Name	Salaries (A)		Pension(B)		Bonus, and special allowance, etc. (C)		Remuneration received as employee (D) (Note)				Amount and ratio of total A, B, C and D to net income after tax(%)		Remuneration from a non-subsidiary investee company or parent company
		NL	All Consoli- dated Entities	NL	All Consoli- dated Entities	NL	All Consoli- dated Entities	NL		All Consolidated Entities		NL	All Consoli- dated Entities	
								Cash	Stock	Cash	Stock			
Strategy Director	Wang, Chuan-Cheng	2,262	2,262	108	108	409	409	23	-	23	-	2,802 2.03%	2,802 2.03%	-
General Manager (Term until December 31, 2024)	Chang, Shun-Ching	2,700	2,700	108	108	1,796	1,796	-	-	-	-	4,604 3.34%	4,604 3.34%	-
Vice General Manager (Promoted on August 9, 2024)	Wang, Kelly (Wang, Ling-Shuang)	1,693	1,693	103	103	2,145	2,145	55	-	55	-	3,996 2.90%	3,996 2.90%	
Vice General Manager of Finance & Chief Financial Officer (Promoted on August 9, 2024)	Pai, Ching-Jen	1,433	1,433	84	84	547	547	21	-	21	-	2,085 1.51%	2,085 1.51%	-

Note : Employee remuneration for 2024 have been adopted by Board of Directors votes.

(3). Remuneration paid to Top 5 executives for the year 2024

Unit: NT\$ thousands

Title	Name	Salaries (A)		Pension(B)		Bonus, and special allowance, etc. (C)		Remuneration received as employee (D) (Note)				Amount and ratio of total A, B, C and D to net income after tax(%)		Remuneration from a non-subsidiary investee company or parent company
		NL	All Consol- dated Entities	NL	All Consol- dated Entities	NL	All Consol- dated Entities	NL		All Consolidated Entities		NL	All Consol- dated Entities	
								Cash	Stock	Cash	Stock			
Chairman	Shao, Ten-Po	3,960	3,960	-	-	1,699	1,699	-	-	-	-	5,659 2.11%	5,659 2.11%	
Strategy Director	Wang, Chuan-Cheng	2,262	2,262	108	108	409	409	23	-	23	-	2,802 2.03%	2,802 2.03%	-
General Manager (Term until December 31, 2024)	Chang, Shun-Ching	2,700	2,700	108	108	1,796	1,796	-	-	-	-	4,604 3.34%	4,604 3.34%	-
Vice General Manager (Promoted on August 9, 2024)	Wang, Kelly (Wang, Ling-Shuang)	1,693	1,693	103	103	2,145	2,145	55	-	55	-	3,996 2.90%	3,996 2.90%	
Vice General Manager of Finance & Chief Financial Officer (Promoted on August 9, 2024)	Pai, Ching-Jen	1,433	1,433	84	84	547	547	21	-	21	-	2,085 1.51%	2,085 1.51%	-

Note : Employee remuneration for 2024 have been adopted by Board of Directors votes.

(4). Managers who allocate employee remuneration and allocation details

December 31, 2024; Unit: NT\$ thousands

Title		Name	Stock	Cash	Total	Ratio of total to net income after tax(%)
Manager	Strategy Director	Wang, Chuan-Cheng	-	149	149	0.11
	General Manager (Term until December 31, 2024)	Chang, Shun-Ching				
	Vice General Manager (Promoted on August 9, 2024)	Wang, Kelly (Wang, Ling-Shuang)				
	Vice General Manager of Finance & Chief Financial Officer (Promoted on August 9, 2024)	Pai, Ching-Jen				
	Executive Senior Manager (On board on December 18, 2024)	Wang, Shih-Ting				
	Accounting Manager / Corporate Governance Officer	Su, Meng-Hsu				
	Finance Manager	Chiu, Shu-Chen				

Note : Employee remuneration for 2024 have been adopted by Board of Directors votes.

(5). Compare remuneration analysis for directors, supervisors, general manager and vice general managers in the most recent two fiscal years by the company and by all companies included in the consolidated financial statements ratio to income after tax, and specify remuneration policy, standard and combination, promulgation procedure for directors, supervisors, general manager and vice general managers, and business performance and future risk relativity

A. Analysis of director, supervisor, general manager, and vice general manager remuneration ratio to net income after tax from the company and consolidated report for the past two years

Unit: NT\$ thousands

Year	Total remuneration paid to directors, general manager, and vice general manager (Note)		Ratio of total to net income after tax(%)	
	NL	All Consolidated Entities	NL	All Consolidated Entities
2023	22,202	23,820	176.96	189.86
2024	25,342	27,521	18.40	19.98

Note: Remuneration includes transportation allowances, compensation, salaries, bonuses, and employee remuneration.

B. Remuneration policy, standard and combination, promulgation procedure business performance and future risk relativity

- a Director remuneration: includes transport reimbursement, business operation pays and remuneration. The remuneration depends on one's participation in business operation and contribution; Remuneration Committee is authorized to settle director and supervisor remuneration pursuant to articles of incorporation, and shall present to Board of Directors for adoption and to Board of Shareholders.
- b General manager and vice general manager remuneration: the remuneration is determined pursuant to remuneration standard of the company and reference to standard of same industry. The bonus and employee remuneration are allocated depending on articles of incorporate and references to business performance and one's contribution to the company. Remuneration and bonus shall be reviewed by Remuneration Committee and adopted by Board of Directors. Employee remuneration shall be adopted by Board of Directors and presented to Board of Directors.
- c In consideration of potential risks of the company in future, directors of the company do not have other remuneration. In the event that directors and supervisors operate company business, they may be remunerated or reimbursed for transport. The company shall remunerate based on common standard of same industry regardless of balance.
- d Net income after tax is a result of the past two years by the company. The remuneration depends on business performance and references to remuneration standard of same industry.

3.Implementation of corporate governance

(1). Operation of the Board of Directors

A total of 6 (A) meetings of Board of Directors were held in 2024. The attendance of directors and supervisors were as following:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (%) 【B/A】 (Note)	Remarks
Chairman	ZI LIONG ENTERPRISE CO., LTD. Representative: Shao, Ten-Po	6	0	100	
Director	ZI LIONG ENTERPRISE CO., LTD. Representative: Hsiao, Chung-Hu	4	2	67	
Director	Chang, Shun-Ching	5	1	83	
Director	Pai, Ching-Jen	6	0	100	
Director	Hsiao, Yu-Chiao	6	0	100	
Director	EVER DEVELOPMENT INVESTMENT CO., LTD. Representative: Wang, Shih-Ting	6	0	100	
Independent Director	Huang, Chung-Hui	6	0	100	
Independent Director	Huang, Wen-Ming	6	0	100	
Independent Director	Tsao, Ching-Ming	6	0	100	

Note: (1) In the event of director departure takes place by the book closure date, their departure date shall be specified with actual presence ratio(%), counted by one' s participation in Board of Director meetings.

(2) In the event of election of director by the book closure date, former and precedent directors shall both be specified, with annotation of either former or precedent on the director column, newly- or re-elected and election date. Actual presence rate(%) is calculated by one's actual attended Board of Director meetings during one's service.

Other mentionable items:

A. If any of the following circumstances occur in the operation of the Board of Directors, the Company shall disclose the date of the Board meeting, the meeting term, the proposal content, the opinions of all Independent Directors, and the Company's response to those opinions

a Matters specified in Article 14-3 of the Securities and Exchange Act:

The Board of Directors	Subject	Matters specified in Article 14-3 of the Securities and Exchange Act	Opinions of independent directors	Company's response to independent directors' opinions	Resolution result
14th Term 10th Meeting March 12, 2024	Commission of CPA independence evaluation for 2024.	✓	None	N/A	All proposals were approved without objection by all attending directors.
	Commission of CPA agency by the Company for 2024.	✓			Except for Chairman, Shao, Ten-Po, who recused himself in accordance with the law and did not participate in the discussion or voting, all other attending directors raised no objections and the proposals were approved as submitted.
	Land lease case of the Company's main plant.	✓			
14th Term 11th Meeting May 8, 2024	The capital increase record date of ordinary shares converted from the 1st domestic secured convertible bond.	✓	None	N/A	All proposals were approved without objection by all attending directors.
14th Term 12th Meeting August 8, 2024	Adjustment of investment structure and capital Injection into a subsidiary.	✓	None	N/A	All proposals were approved without objection by all attending directors.
14th Term 13th Meeting November 7, 2024	Establishment of the Company's "Internal Control System and Audit Procedures for the Management of Sustainability Information".	✓	None	N/A	All proposals were approved without objection by all attending directors.
	Land lease case of the Company's main plant.	✓			Except for Chairman, Shao, Ten-Po, who recused himself in accordance with the law and did not participate in the discussion or voting, all other attending directors raised no objections and the proposals were approved as submitted.

b Other resolutions of the Board of Directors, excluding the aforementioned matters, that were opposed or had a qualified opinion by any Independent

Director and such opinions were recorded or issued in writing: None.

B. The implementation status of recusals by directors for proposals involving conflicts of interest shall specify the director's name, the content of the proposal, the reason for the required recusal due to conflict of interest, and the director's voting status.

Director name	Proposal	Reason for avoidance of conflict of interest & voting result
Shao, Ten-Po	Land lease case of the Company's main plant.	In accordance with Article 206, Paragraph 2 of the company Act, directors with a conflict of interest were not permitted to vote, while the remaining attending directors raised no objections and the proposal was approved as submitted.
Pai, Ching-Jen	Appointment of Pai, Ching-Jen as Vice General Manager of Finance.	
Pai, Ching-Jen	The lifting of the non-competition restrictions on the Company's managers.	
Shao, Ten-Po	Land lease case of the Company's main plant.	
Hsiao, Yu-Chiao, Wang, Shih-Ting	Amendment to changes to the Company's grade and salary scale.	
Chang, Shun-Ching	The Company's General Manager, Chang, Shun-Ching, has submitted a retirement application.	
Wang, Shih-Ting	Change of Manager for the Company's Tainan Branch.	
Pai, Ching-Jen	Change of the Company's Spokesperson.	

C. Listed companies shall disclose self-evaluation frequency, term, evaluation scope, approach, and evaluation details, etc.

Evaluation frequency	Evaluation term	Evaluation scope	Evaluation method	Evaluation content	Implementation
Annual	January 1, 2024 to December 31, 2024	Overall Board of Directors	Insider self-evaluation of Board of Directors	Participation in operations, decision-making quality of the Board of Directors, composition and structure of the Board of Directors, selection and ongoing education of directors, internal control	In March 2025, the Company completed the performance evaluations for the Board of Directors, individual directors, the Audit Committee, and the Remuneration Committee for the year 2024. The evaluation results were reported to the Board of Directors on March 12, 2025. The results are as follows: (1) Board of Directors performance evaluation Performed excellently. (2) Individual Directors' performance evaluation Performed excellently. (3) Audit Committee performance evaluation Performed excellently. (4) Remuneration Committee performance evaluation Performed excellently.
		Respective director from the Board	Self-evaluation by members Board of Directors	Understanding of goals and responsibilities, awareness of directors' duties, level of participation in company operations, internal relationship management and communication, professionalism and continuing education of Directors, internal control	
		Functional Committee (Audit Committee, Remuneration Committee)	Self-evaluation of Functional Committee	Audit Committee, Remuneration Committee Level of participation in Company operations, understanding of Committee responsibilities, decision-making quality, Committee composition and member selection, internal control	

D. Improvement in competency of current and most recent years' Board of Directors and evaluation of implementation

a Towards improvement of competency of Board of Directors:

- (a) We implement corporate governance and endeavors for transparency in operation, convene Board of Directors meeting quarterly and present operation in meeting.
- (b) We arrange trainings for development in profession of directors per year.

b Implementation:

- (a) The company promulgated meeting guideline for Board of Directors and convenes regularly so that it is applied in practice by law.
- (b) The company established Remuneration Committee that facilitates in management of remuneration functionality for Board of Directors.
- (c) The company established Audit Committee in place of supervisors.

(2). Operation of Audit Committee

A total of 5 (A) meetings of the Audit Committee were held in 2024. The attendance of independent directors is as following:

Title	Name	Attendance in person (B)	Attendance by proxy	Attendance rate (%) 【B/A】 (Note)	Remarks
Independent Director	Huang, Chung-Hui	5	0	100	
Independent Director	Huang, Wen-Ming	5	0	100	
Independent Director	Tsao, Ching-Ming	5	0	100	

Note: (1) In the event of independent director departure takes place by the book closure date, their departure date shall be specified with actual presence ratio(%), counted by one's participation in Audit Committee.

(2) In the event of election of independent director by the book closure date, former and precedent independent director shall both be specified, with annotation of either former or precedent on the independent director column, newly- or re-elected and election date. Actual presence rate(%) is calculated by one's actual attended Audit Committee during one's service.

Other mentionable items:

A. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response shall be specified:

a Matters referred to in Article 14-5 of the Securities and Exchange Act. :

Date of Audit Committee Meeting	Subject and subsequent processing	a Matters referred to in Article 14-5 of the Securities and Exchange Act.	Independent director's objection, reservation or major suggestion project content	Audit Committee resolution result	Company response to expression by Audit Committee
1st Term 8th Meeting March 12, 2024	Implementation of internal audit by the company.	✓	None	Agreement and adoption by the Committee	Submit to the Board of Directors for approval and proceed in accordance with the resolution
	The company's 2023 parent company only financial statements, consolidated financial statements and business report.	✓			
	2023 internal control statement.	✓			
	Assessment of the independence of the appointed CPA for 2024.	✓			
	Engagement of the CPA Firm for the 2024 financial audit.	✓			
	Land lease case of the company's main plant.	✓			
	Advance payment is not a capital loan.				

Date of Audit Committee Meeting	Subject and subsequent processing	a Matters referred to in Article 14-5 of the Securities and Exchange Act.	Independent director's objection, reservation or major suggestion project content	Audit Committee resolution result	Company response to expression by Audit Committee
1st Term 9th Meeting May 8, 2024	Implementation of internal audit by the company.	✓	None	Agreement and adoption by the Committee	Submit to the Board of Directors for approval and proceed in accordance with the resolution
	2024Q1 consolidated financial statements by the company.	✓			
	the capital increase record date of ordinary shares converted from the 1st domestic secured convertible bond.	✓			
1st Term 10th Meeting August 8, 2024	Implementation of internal audit by the company.	✓	None	Agreement and adoption by the Committee	Submit to the Board of Directors for approval and proceed in accordance with the resolution
	2024Q2 consolidated financial statements by the company.	✓			
	Appointment of Wang, Kelly (Wang, Ling-Shuang) as Vice General Manager.				
	Appointment of Pai, Ching-Jen as Vice General Manager of Finance.				
	Adjustment of investment structure and capital Injection into a subsidiary.	✓			
1st Term 11th Meeting November 7, 2024	Implementation of internal audit by the company.	✓	None	Agreement and adoption by the Committee	Submit to the Board of Directors for approval and proceed in accordance with the resolution
	2025 audit plan by the company.	✓			
	2024Q3 consolidated financial statements by the company.	✓			
	Amendment to the company's approval authority form.	✓			
	Establishment of the company's "Internal Control System and Audit Procedures for the Management of Sustainability Information".	✓			
	Land lease case of the company's main plant.	✓			
1st Term 12th Meeting December 18, 2024	Appointment of the Company's Vice General Manager, Wang, Kelly (Wang, Ling-Shuang) as General Manager.		None	Agreement and adoption by the Committee	Submit to the Board of Directors for approval and proceed in accordance with the resolution

b Rest items not approved by Audit Committee and approved by over two-thirds Directors except aforesaid items: None.

B. The Independent Director's recusal of a motion in which he has an interest shall

include the Independent Director's name, the content of the motion, the reason for his recusation and his participation in the voting: None.

C. Communication between Independent Directors and Internal Audit Officer and CPA (Including significant matters communicated regarding the Company's financial and operational status, the method of communication, and the outcomes) °

Communication with Internal Audit Officer - Presenter: Auditor, Lai, Jen Ching

a 8th Meeting of the 1st Audit Committee (March 12, 2024): Reported on the actual implementation of internal audits to the Committee members.

b 9th Meeting of the 1st Audit Committee (May 8, 2024): Reported on the actual implementation of internal audits to the Committee members.

c 10th Meeting of the 1st Audit Committee (August 8, 2024): Reported on the actual implementation of internal audits to the Committee members.

d 11th Meeting of the 1st Audit Committee (November 7, 2024): Reported on the actual implementation of internal audits and the 2025 Audit Plan to the Committee members.

Communication with CPA -Presenter: CPA, Chang, Cheng-Hsiu

a 8th Meeting of the 1st Audit Committee (March 12, 2024): Reported the audit results of the Company's 2023 Parent Company Only and Consolidated Financial Statements to the Committee members.

b 11th Meeting of the 1st Audit Committee (November 7, 2024): Reported the review results of the 2024Q3 Consolidated Financial Statements and the Audit Plan for 2024 to the Committee members.

D. Summary of Key Annual Work Items of the Audit Committee:

a Establishment or amendment of the internal control system.

b Assessment of the effectiveness of the internal control system.

c Establishment or revision of procedures for acquiring or disposing of assets, engaging in derivative transactions, lending funds to others, and endorsements or guarantees.

d Matters involving conflicts of interest with Directors.

e Significant asset or derivative transactions.

f Significant loans, endorsements, or guarantees.

g Issuance, offering, or private placement of equity-type securities.

h Appointment, dismissal, or remuneration of the attesting CPA.

i Appointment or dismissal of financial, accounting, or internal audit officers.

j Review and discussion of Financial Reports.

(3). Corporate governance implementation status and deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and cause

Evaluation item	Implementation status			Deviations from "the Corporate Governance Best-Practice Principles" and cause
	Y	N	Summary	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles"?	✓		The company has promulgated corporate governance practice principle and discloses on the company website.	No material deviation.
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?		✓	(1). The company has appointed an exclusive role (spokesperson and substitute spokesperson) in response to advice or questions, and commission a stock affair agent and competent attorney that provides legal advice, shareholders' advice, concerns and disputes.	Not specified.
(2). Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		(2). The company has a relevant department that masters shareholding details of directors, managers, and major shareholders whose ratio is over ten percent and discloses major shareholders and ultimate controllers hereof. The management maintains good communication and contact and declares information in case updates.	No material deviation.
(3). Does the company establish and execute the risk management and firewall system within its conglomerate structure?	✓		(3). The company has promulgated relevant implementation guideline and provisions. Personnel, assets, property, financial affairs with affiliates are handled respectively and independently with clear responsibilities, and is being implemented pursuant to regulations.	No material deviation.

Evaluation item	Implementation status			Deviations from "the Corporate Governance Best-Practice Principles" and cause
	Y	N	Summary	
(4). Does the company establish internal rules against prohibition to insiders trading with undisclosed information?	✓		(4). In order to maintain fair transaction for the securities market, the company has promulgated implementation guideline for insider trading management prevention. It prohibits insiders from any potential insider transaction conducts and trades of marketable securities with un-disclosed information on the basis of one's role or control as a knower of the company, in order to protection investors and to secure the company's rights.	No material deviation.
3. Composition and responsibilities of the Board of Directors (1). Does the Board develop and implement a diversified policy for the composition of its members?	✓		(1). The company has promulgated corporate governance practice guideline to reinforce the structure of the Board of Directors which states the composition of the Board of Directors shall take account of diversification policy, e.g. diverse profession background, duties or gender, etc.; members of the Board of Directors shall overall be in possession of knowledge, skills, and characters required for duty implementation. In order to achieve the corporate governance targets, directors shall have following competence as following: A. Operation judgement B. Accounting and financial analyticity C. Operation & management D. Risk-solving E. Industrial understanding F. International market understanding	No material deviation.

Evaluation item	Implementation status			Deviations from "the Corporate Governance Best-Practice Principles" and cause
	Y	N	Summary	
(2). Has the company voluntarily established other functional committees in addition to the Remuneration Committee and the Audit Committee?	✓		<p>G. Leadership H. Decision-making For diversification of Board of Director members, please refer to Director (2) of the annual report P.17~18.</p> <p>(2). Other than Remuneration Committee and Audit Committee, the company established a merger committee for the current requirements of the company. It resolves if merger plans and transactions are fair and reasonable and reports the resolution to Board of Directors or Board of Shareholders.</p>	No material deviation.
(3). Has the company established a standard to assess the performance of the Board and implement it annually, and are the performance evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for re-election?	✓		<p>(3). The company has formulated the "Board of Directors Performance Evaluation Methods", including its evaluation methods, and has submitted the results of the 2024 performance evaluation to the Board of Directors on March 12, 2025.</p>	No material deviation.
(4). Does the company regularly evaluate the independence of CPAs	✓		<p>(4). The company evaluates CPA at least once a year in accordance with regulations. The company's CPA is appointed with the approval of the board of directors. It has no interest relationship with the company and strictly adheres to independence. Please see the following table "CPA Independence and Competency Evaluation Form" for the evaluation.</p> <p>The CPA Assessments for 2024 and 2023 were reviewed and approved by the Audit Committee and the Board of Directors on March 12, 2025 and March 12, 2024 respectively.</p>	No material deviation.

Evaluation item	Implementation status			Deviations from "the Corporate Governance Best-Practice Principles" and cause
	Y	N	Summary	
4. Have TWSE/GTSM listed companies appointed a suitable number of competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the board of directors and the shareholders' meetings, and producing minutes of board meetings and shareholders' meetings)?	✓		Finance department is exclusively responsible for corporate governance and provides directors information required for their duty operation, organisation of Board of Directors and shareholders' meetings, minutes of meetings for Board of Directors and shareholders, etc.	No material deviation.
5. Has the company established a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	✓		The company established internal and external communication channels with integrity and respect values, which is disclosed in annual report and company information. It has a stakeholder section on company website and maintains good communication with stakeholders. It allows stakeholders to access to sufficient information for their judgement. Besides via contact number or email address, company website was set. The company maintains smooth communication with stakeholders including liaised banks and other creditors, employees, customers, suppliers and stakeholders to the company's benefit. We provide a comprehensive interface for subjects and enquiry, and respond to major CSR concerns for stakeholders via announcements on MOPS.	No material deviation.
6. Does the company commission a professional shareholder service agency to deal with shareholder affairs?	✓		The company commissions Board of Shareholders meetings and stock affairs to IBF Securities Co., Ltd..	No material deviation.

Evaluation item	Implementation status			Deviations from "the Corporate Governance Best-Practice Principles" and cause
	Y	N	Summary	
7. Information disclosure				
(1). Has the company set up a corporate website to disclose both financial conditions and corporate governance details?	✓		(1). The company and its subsidiaries established a company website: http://www.namliong-global.com . Financial operation and corporate governance are disclosed. Subsidiary website has information on company products. It allows understanding of company operations for shareholders and the public.	No material deviation.
(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)?	✓		(2). The company appoints exclusively a role for disclosure of material information of the company and inputs to MOPS and company website and implements spokesperson system. Other information of important subsidiaries shall be disclosed by the parent company as a proxy announcer. The information of the company will be disclosed adequately.	No material deviation.
(3). Has the company announced and report annual financial statements within two months after the end of each fiscal year, and announced and presented Q1, Q2, and Q3 financial statements, as well as monthly operation results by the stipulated deadline?		✓	(3). The Company is currently unable to announce and file its annual financial report within two months after the end of the fiscal year. However, the Company complies with the deadlines stipulated under Article 36 of the Securities and Exchange Act by announcing and filing its annual financial report within 3 months, quarterly financial reports (for Q1, Q2, and Q3) within 45 days, and monthly operating results by the 10th of each month.	No material deviation.
8. Is there any other important information to facilitate a better understanding of the company's governance practices (e.g. including but not limited to employee rights, employee wellness, investor relations, supplier	✓		(1). Employee rights: The company and subsidiaries treat employees with integrity. We promulgated employee benefit measures, trainings, etc., and pay tribute to their diverse talents pursuant to Labor Standards Act in order to protect	No material deviation.

Evaluation item	Implementation status			Deviations from "the Corporate Governance Best-Practice Principles" and cause
	Y	N	Summary	
relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchase of liability insurance for directors and supervisors)?			<p>legal rights and equal opportunities of the employees.</p> <p>(2). Contractor enquiry: The company and affiliates are well-trained and established a Labor benefit committee. Labor relations and trust are built via benefit committee operation and benefit affairs.</p> <p>(3). Shareholder relations: The company has a contact solely in charge of reception of shareholders' feedbacks, and the information is disclosed on MOPS and the company website. It allows investors to be informed of business operation, and communicates with investors via Board of Shareholders and spokesperson.</p> <p>(4). Suppliers: the company and affiliates have evaluated suppliers for years. The company and affiliates have established good cross-relations with suppliers throughout years.</p> <p>(5). Rights of stakeholders: stakeholders may communicate and advise the company to ensure their legal rights.</p> <p>(6). Self-development of directors: the company encourages directors to participate in trainings. Please refer to following table Self-development of directors for details.</p> <p>(7). Implementation of risk management policy and risk evaluation criteria: the company and subsidiaries promulgated internal conventions by law for risk management and evaluation. Relevant operation meets relevant regulations in order to employ resources efficiently, prevent accidents' occurrence, and protect company assets.</p>	

Evaluation item	Implementation status			Deviations from "the Corporate Governance Best-Practice Principles" and cause
	Y	N	Summary	
			<p>(8). Implementation of customer policy: the company and affiliates maintain sound relations with customers and our common goal is ultimate customer satisfaction. We respond to customer enquiry and feedbacks for products and maintain good relations to achieve company margins.</p> <p>(9). The Company has purchased relevant liability insurance for the Director and managers and submitted a report to the Board of Directors.</p>	
<p>9. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures:</p> <p>The company prioritises structure and operation indicators of Board of Directors and reinforces competency of Board of Directors and meeting efficiency so that evaluation indicators and deviation of the company can be mastered. Evaluation is supervised beyond literalism, and towards advanced, revolutionary, efficient Board of Directors.</p>				

■ Self-development of Directors of the company

Title	Name	Term of training		Organiser	Session	Hour(s) of training
		Start	End			
Chairman	Shao, Ten-Po	November 28, 2024	November 28, 2024	Taiwan Corporate Governance Association	Practical Performance evaluation of Corporate ESG Sustainability and Risk Management	3
Director	Hsiao, Chung-Hu					
Director	Chang, Shun-Ching					
Director	Pai, Ching-Jen					
Director	Hsiao, Yu-Chiao					
Director	Wang, Shih-Ting	November 28, 2024	November 28, 2024	Taiwan Corporate Governance Association	Talent Development for Sustainable Business Operations	3
Independent Director	Huang, Chung-Hui					
Independent Director	Huang, Wen-Ming					
Independent Director	Tsao, Ching-Ming					

■ Auditor's qualifications and independence assessment

Evaluation item	Evaluation result
1. As of the latest audit, there have been no circumstances where no replacement had happened for seven years.	■Y □N
2. There is no major conflict of financial interests with the client.	■Y □N
3. To avoid having any inappropriate relationship with the client.	■Y □N
4. The CPAs should ensure that their assistants are honest, fair, and independent.	■Y □N
5. The CPA cannot audit the financial statements for organizations they served for within two years before they took the job.	■Y □N
6. The CPAs' name cannot be used by others.	■Y □N
7. The CPA does not hold any stocks of the Company or its affiliated enterprises.	■Y □N
8. The CPA does not loan money from the Company or its affiliated enterprises.	■Y □N
9. The CPA has no joint investment or profit-sharing relationship with the Company or its affiliated enterprises.	■Y □N
10. The CPA does not concurrently hold a regular position in the Company or its affiliated enterprises and receive fixed salary.	■Y □N
11. The CPA does not involve the managerial decision-making of the Company or its affiliated enterprises.	■Y □N
12. The CPA has not engaged in any other business that could compromise their independence.	■Y □N
13. The CPA is not the spouse, direct blood relatives, direct marriage relatives or a relative within second degree in kinship with the management personnel of the Company.	■Y □N
14. The CPA has not received any commission related to the business.	■Y □N
15. As for now, there have been no incidents of the CPA disciplinary action or damage to the principle of independence.	■Y □N

The Audit Committee and the Board of Directors of the Company approved that the CPAs meet the requirements of independent assessment, the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and AQIs on March 12, 2025.

(4). Composition and operation of Remuneration Committee

The Board of Directors of the company established Remuneration Committee and its articles of incorporation pursuant to Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange. Remuneration Committee aims at facilitation of evaluation of remuneration, policy, and system for directors, supervisors, and managers from its profession and advises to Board of Directors for its decision making. Articles of incorporate of Remuneration Committee is accessible on the company website.

A.Remuneration Committee members

Title	Credential	Credential and experience	Independent (Note)	Number of other public companies where concurrently serving as a member of the Remuneration Committee	Remarks
	Name				
Convenor Independent Director	Huang, Chung-Hui	Please refer to Profiles of Director(1) (P9~15) for details on qualification and experience of Directors.	All committee members conform to the following: 1. Conforms to Financial Supervisory Commission decreed Art. 14-6 of Securities Exchange Act and relevant provisions of Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange(Note). 2. A (substantial) shareholder, whose spouse or minor children are a shareholder of the company. 3. No remunerated commercial, legal, financial, accounting, or other service by the company or its affiliated companies within the past two years.	2	
Independent Director	Huang, Wen-Ming			-	
Independent Director	Tsao, Ching-Ming			-	

Note: Not of any following matters for the past two years prior to and during service:

- (1). An employee by the company or its affiliated companies.
- (2). A director or supervisor by the company or its affiliated companies.
- (3). A shareholder, or whose spouse or minor children, or a substantial shareholder with a shareholding ratio over 1% or from top 10 of the company as natural person.
- (4). Manager of No. 1 or spouse, kinship within second grade, or immediate family within third grade of whom from aforementioned two items.
- (5). A director, supervisor, or employee by legal person whose direct shareholding ratio of listed shares exceeds five percent, from top 5 by the company, or an appointed behalf as a director or supervisor of whom by the company pursuant to Art. 27-1 or 2 of Company Act.

- (6). A director, supervisor, or employee in control of over half of Board of directors' seats or shareholding ratio of voting rights by the company or other companies.
- (7). With a second title as chairman, general manager, or an equivalent position, or spouse of whom by the company or other companies or institutes, director (chief), supervisor (chief), or employee by other companies or institutes.
- (8). A director(chief), supervisor(chief), manager by a specific company or institute of financial or business liaisons with the company, or a shareholder with a shareholding ratio over five percent of the company.
- (9). A specialist having audited or having been remunerated over five hundred thousand NTD with the past two years for one's commercial, legal, financial, accounting, or other relevant services, corporate owner, corporate partner, director (chief), supervisor (chief), manager with sole, partner proprietorship by the company or affiliated companies, and spouse of whom, to which in case a member of Remuneration Committee, Public Tender Review Committee or Special Merger Committee who exercises one's power pursuant to the act or regarding provisions of Business Mergers And Acquisitions Act, is not subject.

B. Remuneration Committee operation

a Total of 3 Remuneration Committee members of the Company.

b Term of members of the 5th Committee: June 23, 2022 until June 22, 2025. A total of 6 Remuneration meeting (A) were held in 2024, member' credential and attendance to following:

Title	Name	Attendance in person(B)	Attendance by proxy	Attendance Rate (%) 【B/A】 (Note)	Remarks
Convenor	Huang, Chung-Hui	6	0	100	
Member	Huang, Wen-Ming	6	0	100	
Member	Tsao, Ching-Ming	6	0	100	

Note: (1) In the event of member departure takes place by the book closure date, their departure date shall be specified with actual presence ratio(%), counted by one's participation in Remuneration Committee meetings.

- (2) In the event of election of member by the book closure date, former and precedent member shall both be specified, with annotation of either former or precedent on the member column, newly- or re-elected and election date. Actual presence rate(%) is calculated by one's actual attended Remuneration Committee meetings during one's service.

Remuneration Committee responsibilities

The Committee shall faithfully perform the following duties with the care of a good administrator and submit its recommendations to the Board of Directors for discussion.

A. Formulate and regularly review the policies, systems, standards, and structures for performance evaluation and remuneration of Directors and managerial officers.

B. Regularly assess and determine the remuneration of Directors and managerial officers.

Implementation status for the year

During the past year, the Company's Remuneration Committee convened meetings to review and evaluate the Company's remuneration-related matters as follows:

Date of Remuneration Committee Meeting	Subject and subsequent processing	Resolution result	Company response to expression by Remuneration Committee
February 2, 2024	Amendment to the company's grade and salary scale.	Agreement and adoption by the Committee	Submitted to the Board of Directors and approved with unanimous consent of all Directors present.
	Allocation of 2023 year-end bonus by the company.		
	Salary determination proposal for key executives of subsidiaries.		
March 8, 2024	Allocation of business performance and incentive bonus for 2023 by the company.	Agreement and adoption by the Committee	Submitted to the Board of Directors and approved with unanimous consent of all Directors present.
	2023 employee and director/supervisor remuneration for subsidiary GREENCHEM INTERNATIONAL CO., LTD.		
	2023 employee and director/supervisor remuneration for subsidiary ELEMENTECH INTERNATIONAL CO., LTD.		
	2023 employee and director remuneration of the company.		
May 8, 2024	Amendment to "Business Performance Incentive Guideline" by the company.	Agreement and adoption by the Committee	Submitted to the Board of Directors and approved with unanimous consent of all Directors present.
	Allocation of business performance for 2024Q1 by the company.		
August 8, 2024	Ratification of allocation of business performance for 2024Q1 by the company.	Agreement and adoption by the Committee	Submitted to the Board of Directors and approved with unanimous consent of all Directors present.
	Allocation of business performance for 2024Q2 by the company.		
	Salary and remuneration for Vice General Manager, Wang, Kelly (Wang, Ling-Shuang).		
	Salary and remuneration for Vice General Manager of Finance, Pai, Ching-Jen.		
	Salary and remuneration for senior executives of the company.		
November 7, 2024	Amendment to "Business Performance Incentive Guideline" by the company.	Agreement and adoption by the Committee	Submitted to the Board of Directors and approved with unanimous consent of all Directors present.
	Allocation of business performance for 2024Q3 by the company.		
	Amendment to the company's grade and salary scale.		
	Salary adjustment for senior executives of the company.		
December 18, 2024	Salary and remuneration for the Company's General Manager.	Agreement and adoption by the Committee	Submitted to the Board of Directors and approved with unanimous consent of all Directors present.

Other mentionable items:

- A. If the Board of Directors declines to adopt or modifies a recommendation of the Remuneration Committee, it should specify the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the Company's response to Remuneration Committee's opinion (E.g. the remuneration adopted by the Board of Directors exceeds the recommendation of the Remuneration Committee, the circumstances and cause for the difference shall be specified): None.
- B. Resolutions of the Remuneration Committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.

(5). Fulfillment of CSR and deviations and causes from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies"

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies" and cause
	Y	N	Summary	
1. Has the company established CSR structure and (non-)exclusive CSR promotion unit? Has Board of Directors authorised high managerial positions solely and supervised?	✓		<p>(1). The Company officially established the Sustainable Development Promotion Committee in February 2023, consisting of six functional subcommittees:</p> <p>A. Sustainability Report Subcommittee</p> <p>B. Greenhouse Gas Inventory and Carbon Footprint Subcommittee</p> <p>C. Energy Conservation and Carbon Reduction Subcommittee</p> <p>D. Eco-Family Subcommittee</p> <p>E. Care and Concern Subcommittee</p> <p>F. Integrity Governance and Risk Management Subcommittee.</p> <p>(2). The Company submits quarterly reports to the Board of Directors on "Sustainable Development Planning and Greenhouse Gas Inventory and Verification Plans and Implementation Progress" for supervision.</p>	No material deviation.
2. Has the Company evaluated risks associating environment, society, and company governance regarding company operation and promulgated	✓		The Company conducts risk assessments related to environmental, social, and corporate governance issues relevant to the company's operations through the	No material deviation.

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and cause
	Y	N	Summary	
related risk management or strategy based on materiality principle?			identification of key issues, impact assessment, significant issue information reporting, and annual review based on the identification process of significant issues in 2023, setting management goals and implementing relevant strategies for ten significant issues.	
3. Environment (1). Has the Company established environment management industry-wise?	✓		(1). The Company and subsidiaries abide by EHS rules and relevant provisions and align with EHS development. We established and improve environment management system and train our fellows with proper environmental protection concept. We acquired Environment Management System ISO14001 (Ref. 20001995 UM15) and Global Recycling Standard (GRS) and appoint senior EHS manager to maintain environment management. The Company verifies plant environmental management and social labor management using the Sustainable Apparel Coalition (SAC)'s sustainability measurement tool Higg FEM Plant Environmental Management and FLSM Social Labor Management at Main Plant site.	No material deviation.

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and cause
	Y	N	Summary	
(2). Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	✓		<p>(2). The Company and subsidiaries promote comprehensive energy reduction measures; meanwhile energy reduction for the plant is being worked on by replacing old energy-consuming equipment. Energy-reducing equipment is preferred for procurement. We encourage parties to improve energy consuming efficiency and inspect the capacity of high-energy consuming equipment.</p> <p>The company is committed to Eco-Family, continuously exploring various renewable materials, agricultural and fisheries waste materials, processing these environmentally friendly materials for manufacturing products that can replace petrochemical materials, reducing dependence on finite petrochemical resources, and simultaneously reducing negative environmental impacts. Our main focus lies in the development of environmentally friendly products, including the development of eco-friendly Velcro series, recycled textile yarn and fabric development, biomass rubber sponge materials series, biomass film materials (TPEE/TPAE), and water-based environmentally friendly adhesives (Supracoat).</p>	No material deviation.

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies" and cause
	Y	N	Summary	
(3). Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	✓		(3). The company adopts the TCFD framework for climate-related financial disclosures to understand substantial and potential climate risks and opportunities, identify and assess their significance impacts, and formulate various risk prevention, mitigation, and adaptation strategies. For example: We plan and update to energy saving equipment in association with government policy.	No material deviation.
(4). Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?	✓		(4). The Company conducted an inventory of greenhouse gas emissions in 2024, with greenhouse gas Scope 1 and Scope 2 emissions totaling 6,895.3260 tons of CO2e in 2023. The inventory scope includes the Headquarters, the Main Plant, the Niao Song Plant, and the Ren Ai Plant, identifying carbon hotspots and evaluating and implementing related carbon reduction plans. In 2024, the Company's total water consumption was 96,179 tons, with the Headquarters accounting for 758 tons, the Main Plant for 82,654 tons, the Niao Song Plant for 6,769 tons, and the Ren Ai Plant for 5,998 tons. In comparison, the total water consumption in 2023 was 90,466 tons, comprising 833 tons at the Headquarters, 77,658 tons at the Main Plant, 5,941 tons at the Niao	No material deviation.

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and cause
	Y	N	Summary	
			<p>Song Plant, and 6,034 tons at the Ren Ai Plant. The 2024 water usage increased by 5,713 tons compared to 2023, primarily due to revenue growth. To manage water consumption, the Company has implemented various water-saving measures, including periodic pipeline inspections, installation of timers to stop water supply during non-production hours, installation of water-saving devices, and enhancement of wastewater recycling and reuse systems. In addition, daily morning meetings are used to promote water conservation awareness among employees and encourage behavioral change.</p> <p>In 2024, the Company generated a total of 618.5705 tons of industrial waste, with 2.4435 tons from the Headquarters, 510.1340 tons from the Main Plant, 88.2500 tons from the Niao Song Plant, and 17.7430 tons from the Ren Ai Plant. In comparison, the total industrial waste in 2023 amounted to 815.7497 metric tons, including 2.0857 tons from the Headquarters, 716.7600 tons from the Main Plant, 82.1700 tons from the Niao Song Plant, and 14.7340 tons from the Ren Ai Plant. The total volume of industrial waste in 2024</p>	

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and cause
	Y	N	Summary	
			decreased by 197.1792 metric tons compared to 2023. Among the total waste generated in 2024, 61.87% was either prepared for reuse or processed for recycling, representing an increase of 5.93% compared to 2023. Policies for waste reduction include enhancing recycling of industrial waste within the plant and implementing solid recovered fuel (SRF) or other reuse projects externally to further reduce environmental impact, as well as promoting staff garbage classification to improve general household waste recycling.	
4. Social Topics (1). Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		(1). The company and subsidiaries abide by Taiwan's Labor law, Universal Declaration of Human Rights, International Labor Organisation spirits and promulgated internal control system and relevant management guideline to ensure employees' legal rights and non-discriminatory policy in recruitment, etc. Taiwan's Labor law includes mainly following: A. Labor Standards Act B. Occupational Safety and Health Act C. Act of Gender Equality in Employment D. Employment Service Act	No material deviation.

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and cause				
	Y	N	Summary					
			<div>E. Labor Insurance Act F. National Health Insurance Act G. Act for Protecting Worker of Occupational Accidents H. Employee Welfare Fund Act I. People with Disabilities Rights Protection Act J. Labor Pension Act Aforesaid regulations are all abided by with promulgation of management guideline by the company. The company advocates universal human rights as a policy and here is its implementation:</div> <table><tr><th>Universal human rights policy</th><th>Implementation by the Company</th></tr><tr><td>Child labor ban</td><td>The Company does not employ child labor and has established management procedures to prohibit the employment of child labor as well as remedial measures to address any inadvertent use.</td></tr></table>	Universal human rights policy	Implementation by the Company	Child labor ban	The Company does not employ child labor and has established management procedures to prohibit the employment of child labor as well as remedial measures to address any inadvertent use.	
Universal human rights policy	Implementation by the Company							
Child labor ban	The Company does not employ child labor and has established management procedures to prohibit the employment of child labor as well as remedial measures to address any inadvertent use.							

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and cause
	Y	N	Summary	
			Non-forced labor	Anti-punishment, forced Labor, prison Labor management procedure has been established. Foreign Labor contractors guard their own passports, passbooks, and debit cards.
			Employee freedom of assembly and association	Protection management procedure of freedom of association and beliefs has been established. Employees are encouraged to take part in association activities and subsidised.
			Establishment of safe and healthy work environment	ISO-45001 and ISO-14001 management system has been established and qualified for external audit.

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and cause
	Y	N	Summary	
			Compliance with basic wage	The minimum wage of the wage structure by the company shall not be inferior to local basic wage and additional benefits shall be offered.
			Legal work and breaks	The company offers annual leaves, personal leaves, and relevant leaves by law. No work exceeding maximum legal labor hours is forced for employees.
			Anti-discriminatory and anti-harassment	We have established an anti-discriminatory management procedure and sexual harassment reporting and response measures. We are dedicated to establishing a safe, fair, and healthy work environment.

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies" and cause
	Y	N	Summary	
(2). Does the company have reasonable employee benefit measures (including salaries, leave, and other benefits), and do business performance or results reflect on employee salaries?	✓		<div>Protection of female coworkers</div> <div>We have established ISO-45001 management system and are dedicated to four projects regarding protection of employee health as a government policy.</div>	No material deviation.
			<p>Aforesaid is our compliance with universal human rights policy</p> <p>(2). The company and subsidiaries have established following:</p> <p>A. Remuneration complies with basic wage and reflects business performance or result in employee remuneration and bonus.</p> <p>B. Annual, personal, illness, menstrual, family-care, quarantine/accompany, maternal, maternal-care, maternal accompany, maternal-care accompany, wedding, funeral, and business leaves.</p> <p>C. Other benefits:</p> <p>a Employee benefit remuneration: birthday gift money, new year gift, Lantern Festival gift money, child scholarship, liaised shops, maternity subsidy, wedding subsidy, family funeral subsidy, travel subsidy, hospitalisation subsidy, company insurance.</p>	

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and cause
	Y	N	Summary	
(3). Does the company provide a healthy and safe working environment and organise training on health and safety for its employees on a regular basis?	✓		<p>b Occasional self-owned products with employee discounts.</p> <p>(3). Employees are deemed important assets to the company and subsidiaries. We offer a good work environment and training to enhance employee competency.</p> <p>In order to prevent occupational hazards and protect safety and health of all employees, we acquired occupational safety and health management system ISO45001 certificate (ref. 010-22002-O) in 2022. We implement management based on PDCA principle so that highly risky work is identified in workplace, and unacceptable risky work is selected for rectification. In order to ensure employee physical and mental health, a health-check is conducted for all employees every two years regularly. From 2021, on-site doctors and nurses are appointed for management of special cases from health checks, instruction and health education, health promotion for employees, etc., as well implementation of four projects (prevention of human error hazards, disease prevention from irregular work load, illegal violation during duties, maternal health protection).</p>	No material deviation.

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and cause
	Y	N	Summary	
			<p>Highly-riskied employees are interviewed to prevent occupational disease and protect physical and mental health of employees.</p> <p>In 2024, a total of 11 employee occupational accidents occurred within the company's Taiwan operations, of which 6 were industrial safety accidents and 5 were traffic accidents. The number of employee occupational accidents accounted for 2.1% of the total number of employees.</p> <p>Based on the local occupational safety and health regulations of each operating base and the ISO 45001:2018 occupational safety and health management system standard, the company uses the PDCA cycle concept - Plan, Do, Check, Act as the basis of the management structure to construct an occupational safety and health management system and set up The Occupational Safety and Health Committee identifies all possible risks in the working environment, formulates management methods and control procedures, and regularly conducts internal audits to effectively prevent various accidents and protect the health and safety of workers.</p>	

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies" and cause
	Y	N	Summary	
			<p>The company has formulated "Emergency Response Management Procedures" in response to various disaster events. The fire emergency response organization and work responsibilities are clearly defined in the procedures, and fire protection plans are submitted in accordance with the law. Fire prevention managers are set up in each plant area and hold two meetings every year. Fire drills are conducted to promote fire prevention knowledge and improve personnel's fire prevention awareness, so that personnel are familiar with emergency escape routes and emergency measures. At the same time, fire protection equipment is regularly inspected and maintained to ensure that it is in normal working condition. There were no fire incidents in 2024.</p>	

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and cause
	Y	N	Summary	
(4). Does the company provide its employees with career development and training sessions?	✓		<p>(4). The company and subsidiaries have established employee training system, in order to facilitate the establishment of employee competency, which ranges from the following four:</p> <p>A. Onboard training: Employees are oriented with onboard training to familiarise them with company culture, rules and safety and health rules, so that employees are familiarised with work environment.</p> <p>B. OJT training: each department conducts annual OJT training based on our fellows' competence requirements.</p> <p>C. Annual training: HR arranges annual training based on training requirements proposed by each department in combination with company strategy and targets.</p> <p>D. External training: each party assigns personnel or employees apply for training at external institutes.</p> <p>E. Other occasional or training by protect.</p>	No material deviation.
(5). Do the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer	✓		<p>(5). The products and service of the company and subsidiaries comply overall with regulatory and international standard, with contact for professional service. Many products of the company acquired OEKO TEX certificate and acquired EU REACH limited material</p>	No material deviation.

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and cause
	Y	N	Summary	
<p>protection and grievance procedure policies implemented?</p> <p>(6). Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights and its implementation?</p>	✓		<p>tests or US California 65 Test. General hook-and-loop fasteners all comply with 38 environmental toxic material standards, which ensures care-free use of our products in terms of health concerns.</p> <p>(6). The company and subsidiaries promulgated supplier evaluation orientation procedure and cooperation contract on supplier principle and conduct; it ensures raw materials comply with order or contractual quality, comply with belonging locale or local law of trade, and human rights requirements of employees. Should suppliers violate environment protection, occupational safety health, or Labor rights or other regulatory, the company will re-evaluate the agreement and potential.</p>	No material deviation.
5. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance or guarantee from a third party verification unit?	✓		The company printed 2020 CSR Report pursuant to GRI Standards-2021 in 2021 and published on company website; not yet certified by a third-party. Our planning is to prepare 2023 CSR Report in 2024 and repeat by year and for certification or guarantee from a third-party.	No material deviation.

Promote item	Implementation status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies" and cause
	Y	N	Summary	
6. Should the company have established CSR guideline pursuant to Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please specify its deviation hereof in implementation:				
7. The company has established CSR principle and has no material deviation from practice.				
8. Other useful information for explaining the status of corporate social responsibility practices: The company and subsidiaries abide by life and environment respect as core value, as well as promotion of CSR. Eco-family strategy has been promulgated towards green products' integration with 3R-Replace, Recycle, Reduce, in order to develop biotech and circular economy; we have acquired USDA biomass product label, Oeko-Tex Standard 100 certification, Bluesign certification, UL certification, FSC Forest Stewardship Council verification, Sustainable Apparel Alliance (SAC) sustainability measurement tool Higg FEM plant environmental management and FLSM social labor verification, etc. Various green product certifications and verifications; and been promoting energy saving, carbon and waste reduction movements as environmental protection; we appreciate all-round development of employees, human rights, justice, careerpath as for the society. We were chosen as 1111 Human Resources' Happy Companies for 2024. Other CSR promotions have been disclosed in same annual report.				

Disclosure of climate-related information for listed companies - Execution status of climate-related information

Item	Implementation status
<p>1. Describing the supervision and governance of the board of directors and management on climate-related risks and opportunities.</p>	<p>(1). The Company regularly convenes the Board of Directors, and the Sustainable Development Promotion Committee reports to the board of directors on the greenhouse gas inventory and verification schedule and implementation status quarterly as required by the Financial Supervisory Commission.</p> <p>(2). The Company has established the Sustainable Development Promotion Committee, which consists of six functional subcommittees: A. Sustainability Report Subcommittee B. Greenhouse Gas Inventory and Carbon Footprint Subcommittee C. Energy Conservation and Carbon Reduction Subcommittee D. Eco-Family Subcommittee E. Care and Concern Subcommittee F. Integrity Governance and Risk Management Subcommittee. Meetings are held twice a year, reviewing the company's climate change strategy and goals at the beginning of each year, managing climate change risks and opportunities, reviewing implementation progress, discussing future plans, and reporting to the board of directors. The Integrity Governance and Risk Management Subcommittee is authorized by the Sustainable Development Promotion Committee to lead and identify potential climate risks and opportunities. Significant risks and opportunities are identified every 3 years, with annual reviews to ensure appropriateness.</p> <p>(3). The Company conducted its first climate risk assessment in 2023, focusing on high-risk factors from 12 climate risk items for subsequent analysis. The Company also identified feasible opportunities and formulated response measures. In terms of climate change mitigation, the company is developing low-carbon production, energy management, and carbon information disclosure projects; in terms of climate change adaptation, the company has implemented enhanced disaster prevention measures and improved the resilience of the supply chain to climate change.</p>
<p>2. Describing how identified climate risks and opportunities affect business, strategy, and finance (short-term, medium-term, long-term).</p>	<p>(1). The Sustainable Development Promotion Committee discusses and identifies climate risks and opportunities affecting the Company at its annual meeting, and, in conjunction with external experts, assesses the likelihood and financial impact to screen for significant transformational climate risks, physical climate risks, and transformational climate opportunities. The risk interval definition is short-term for 1-3 years, medium-term for 3-10 years, and long-term for over 10 years.</p>

Item	Implementation status
	<p>(2). The impacts of relevant risks and opportunities on the company are as follows:</p> <ul style="list-style-type: none"> ● Policy and regulatory risks (related to carbon taxes and renewable energy regulations): Compliance with climate change response laws will increase operating costs, with carbon fees of NT\$300 per ton and a requirement for renewable energy contracts to account for over 10% of capacity. ● Market risks (changes in customer behavior): Increased demand for low-carbon products (providing product carbon footprint certification) by customers to enhance the company's image and reputation, leading to potential loss of orders and a decrease in market share, resulting in reduced revenue or increased operating costs. ● Technological transformation risks (products and technologies challenged by low-carbon technologies): Increasing market requirements for energy-saving technology thresholds, or the company's inability to develop low-carbon products, resulting in increased product development costs or operating costs.
3. Describing the financial impact of extreme weather events and transformation actions.	Acute physical risks (impact of extreme weather events) such as short-term droughts or heavy rains leading to increased maintenance costs or operational disruptions, thereby increasing operating costs, reducing revenue, and asset losses.
4. Describing how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system.	The Sustainable Development Promotion Committee conducts climate risk and opportunity identification and assessment every three years, with annual reviews for adjustments based on actual operational environments. Routine risk management is conducted by various business units according to internal control procedures, with regular reporting of progress and results to the Sustainable Development Promotion Committee by each working group.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and major financial impacts should be explained.	In early 2024, the Company adopted the TCFD (Task Force on Climate-related Financial Disclosures) framework to identify and assess climate-related risks. For transition risks, the Company utilized the International Energy Agency's APS (Announced Pledges Scenario) and NZE (Net Zero Emissions by 2050 Scenario) to evaluate potential carbon cost impacts. For physical risks, the Company assessed sea level rise and inundation risk using the TCCIP (AR6) SSP1-2.6 and SSP5-8.5 scenarios; water scarcity risk was evaluated based on the maximum number of consecutive dry days using the 2024 basic version of the County and City Climate Change Overview under the same SSP scenarios; and flood risk was assessed using the Disaster Risk Map Platform of the National Science and Technology Center for Disaster Reduction, focusing on hazard vulnerability.

Item	Implementation status
<p>6. If there is a transformation plan to manage climate-related risks, the content of the plan, as well as the indicators and objectives used to identify and manage physical and transition risks, should be explained.</p>	<p>Once the baseline investigation of greenhouse gas inventory and energy equipment is completed, specific risk transformation response plans and control indicator goals will be formulated. Currently, relevant energy-saving measures have been initiated as follows:</p> <p>Initiating energy-saving and carbon reduction actions based on corporate social responsibility and goals of sustainable green production, aiming to reduce paper usage and greenhouse gas emissions. Specific measures include internal material recycling and reuse, promoting turning off lights when not in use, replacing faulty air conditioners with variable-frequency ones, fully adopting LED lights, and using electronic forms and approval processes. The greenhouse gas reduction target for 2025 is set at a 10% reduction compared to the 2022 baseline year.</p>
<p>7. If internal carbon pricing is used as a planning tool, the pricing basis should be explained.</p>	<p>The Company completed the implementation of the TCFD project guidance in 2024. After operating the TCFD project for 2 to 3 years, the Company will gradually promote the adoption of an internal carbon pricing mechanism as a reference for carbon reduction cost evaluation.</p>
<p>8. If climate-related goals are set, information should be provided on the activities covered, greenhouse gas emission scopes, planning periods, annual progress, etc. If carbon offsetting or purchase of renewable energy certificates (RECs) is used to achieve relevant goals, the sources and quantities of offset carbon credits or RECs should be explained.</p>	<p>The Company, in accordance with the national Phase 3 GHG emission reduction targets for the manufacturing sector, has set a 2030 greenhouse gas (Scope 1+2) reduction goal of an 18% decrease compared to the 2022 baseline year (an average annual reduction of 2.25%). As of the end of 2024, GHG emissions have been reduced by 6.8% compared to the 2022 baseline (an average annual reduction of 3.4%), meeting the expected reduction target. The future use of carbon offsets or the purchase of Renewable Energy Certificates (RECs) will be dynamically adjusted based on the effectiveness of ongoing reduction efforts.</p>

Item	Implementation status															
9. Disclosure of greenhouse gas inventory and verification status, reduction goals, strategies, and specific action plans.	(1). Greenhouse gas inventory and assurance situation of the company in the past two years: Describing the emissions (metric tons CO2e), intensity (metric tons CO2e per million dollars), and data coverage range of greenhouse gases in the past two years.															
	<table><tr><th>Company-specific data</th><th>2023 (Self-conducted inventory)</th><th>2024 (Self-conducted inventory)</th></tr><tr><td>Scope 1 (metric tons CO2e)</td><td>3,133.486</td><td>3,395.890</td></tr><tr><td>Scope 2 (metric tons CO2e)</td><td>3,761.840</td><td>3,741.964</td></tr><tr><td>Total emissions (metric tons CO2e)</td><td>6,895.326</td><td>7,137.854</td></tr><tr><td>Intensity</td><td>4.3</td><td>4.2</td></tr></table>	Company-specific data	2023 (Self-conducted inventory)	2024 (Self-conducted inventory)	Scope 1 (metric tons CO2e)	3,133.486	3,395.890	Scope 2 (metric tons CO2e)	3,761.840	3,741.964	Total emissions (metric tons CO2e)	6,895.326	7,137.854	Intensity	4.3	4.2
	Company-specific data	2023 (Self-conducted inventory)	2024 (Self-conducted inventory)													
	Scope 1 (metric tons CO2e)	3,133.486	3,395.890													
	Scope 2 (metric tons CO2e)	3,761.840	3,741.964													
	Total emissions (metric tons CO2e)	6,895.326	7,137.854													
	Intensity	4.3	4.2													
	(2). Greenhouse gas assurance information: Describing the assurance situation in the past two years as of the date of annual report printing, including the assurance scope, assurance entity, assurance criteria, and assurance opinion.															
	According to the Sustainable Development Roadmap for listed companies, verification operations will be completed by a third-party notary unit in 2026.															
	(3). Greenhouse gas reduction targets, strategies, and specific action plans: Describing the baseline year and data, reduction targets, strategies, specific action plans, and achievement status of the reduction targets.															
● 2025 Target: 10% reduction in emissions compared to the 2022 baseline year.																
● 2030 Mid-term Target: 18% reduction in emissions compared to the 2022 baseline year.																
● 2050 Long-term Target: Net Zero Emissions.																

Note 1: Direct emissions (Scope 1, i.e., emissions directly from sources owned or controlled by the company), energy indirect emissions (Scope 2, i.e., indirect greenhouse gas emissions resulting from the purchase of electricity, heat, or steam), and other indirect emissions (Scope 3, i.e., emissions from company activities not covered by energy indirect emissions, but from other sources owned or controlled by other companies).

Note 2: The scope of direct emissions and energy indirect emissions data shall be processed according to the schedule specified in Article 10, paragraph 2 of this standard, while information on other indirect emissions may be voluntarily disclosed.

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

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

Note 5: Processing shall be carried out according to the schedule specified in Article 10, paragraph 2 of this standard. If the company fails to obtain a complete greenhouse gas assurance opinion by the printing date of the annual report, it shall be noted as "Complete assurance information will be disclosed in the sustainability report." If the company does not prepare a sustainability report, it shall be noted as "Complete assurance information will be disclosed on the MOPS", and complete assurance information shall be disclosed in the annual report for

the next fiscal year.

Note 6: The assurance institution shall comply with the relevant regulations of the Taiwan Stock Exchange Corporation and the Securities and Futures Institute regarding the assurance institution in the sustainability report.

Note 7: Processing shall be carried out according to the schedule specified in Article 10, paragraph 2 of this standard.

Note 8: The base year shall be the year in which the greenhouse gas inventory is completed based on the boundary of the consolidated financial statements. For example, according to the regulations specified in Article 10, paragraph 2 of this standard, companies with capital of NT\$10 billion or more shall complete the inventory of the consolidated financial statements for 2024 in 2025. Therefore, the base year is 2024. If the company has completed the inventory of the consolidated financial statements in advance, the earlier year may be used as the base year. In addition, the data for the base year may be calculated as a single year or as an average of several years.

(6). Fulfillment of ethical corporate management and deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and measures taken

Evaluation item	Implementation status			Deviation from ethical corporate management for TWSE/GTSM Listed Companies and cause
	Y	N	Summary	
1. Establishment of ethical corporate management policies and programmes				
(1). Does the company have 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 active commitment of the Board of Directors and management towards enforcement of such policy?	✓		(1). The Company has promulgated Ethical Corporate Management Best Practice Principles to which directors, managers, and employees are subject, and shall pay attention to good manager principle and be obliged to loyalty, and operate duties based on principle of integrity and credibility.	No material deviation.
(2). Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher 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 the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice	✓		(2). The Company promulgated Ethical Corporate Management Best Practice Principles and Ethical Corporate Procedure and Conduct Guideline to which highly ethically risky conducts within scope of operation are subject.	No material deviation.

Evaluation item	Implementation status			Deviation from ethical corporate management for TWSE/GTSM Listed Companies and cause
	Y	N	Summary	
<p>Principles for TWSE/TPEX Listed Companies?</p> <p>(3). Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?</p>	✓		<p>(3). The company prohibits fraud and profiteering and insider trading by Ethical Corporate Management Best Practice Principles and Ethical Corporate Procedure and Conduct Guideline with punishment and appeal approaches. The company pays attention to development of domestic and international ethical corporate provisions, to which the ethical corporate and promotion measures of the company are pursuant for review, in order to improve the implementation of ethical corporate.</p>	No material deviation.
<p>2. Implementation of ethical corporate management</p> <p>(1). Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?</p> <p>(2). Does the company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors</p>	<p>✓</p> <p>✓</p>		<p>(1). The Company and affiliates conduct fair and transparent business activities and is informed of credit history of the trading partners via background check and open information. The contract with clients shall include Ethical Corporate Management Best Practice Principles policy and clauses that stipulate in the event of violation to ethics by the trading partner, suspension or termination of contract will apply at any time.</p> <p>(2). Finance department is in charge of Ethical Corporate Management Best Practice Principles by the Company and is supervised by the Board of Directors.</p>	<p>No material deviation.</p> <p>No material deviation.</p>

Evaluation item	Implementation status			Deviation from ethical corporate management for TWSE/GTSM Listed Companies and cause
	Y	N	Summary	
<p>which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?</p> <p>(3). Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?</p> <p>(4). Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessment and promulgate audit plans to audit the systems accordingly to prevent unethical conduct, or commission external auditors to audit?</p> <p>(5). Does the company regularly hold internal and external training on ethical corporate management?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>(3). Directors, Managers, and Employees by the Company and affiliates shall abide by regulation and internal control standard. All Employees shall sign an NDR. They are obliged to maintain operation, documents and clients' information, etc. absolutely confidential. Meeting guideline for Board of Directors by the company states avoidance shall apply in the event that directors have conflict of interests with subject matters of the meeting or the legal person one represents.</p> <p>(4). The Company and affiliates promulgated and implement effective audit system, internal control system, internal audit system and management guideline which auditors conduct spot check; it may be commissioned to CPA auditors. A specialised agency may be commissioned herefor.</p> <p>(5). The Company and affiliates organise meetings and trainings regularly and promote Ethical Corporate Management Best Practice Principles and relevant provisions.</p>	<p>No material deviation.</p> <p>No material deviation.</p> <p>No material deviation.</p>

Evaluation item	Implementation status			Deviation from ethical corporate management for TWSE/GTSM Listed Companies and cause
	Y	N	Summary	
<p>3. Whistle-blowing implementation</p> <p>(1). Has the Company established both a reward/disciplinary system for whistle blowing, and personnel exclusive for defendant appeal?</p> <p>(2). Has the Company promulgated a standard investigation procedure against whistle-blowing, and follow-up measures and confidential measures post-investigation?</p> <p>(3). Does the company provide whistleblower protection against improper aftermath?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>(1). The Company and affiliates allow reporting unethical conducts to competent supervisors against violation to Ethical Corporate Management Best Practice Principles and as well to a management member. Upon reception of reporting, the management will report the chairman; the chairman will assign to investigate independently.</p> <p>(2). The company and affiliates shall maintain reporting confidential during investigation, so that it will cause no irrelevant disruption or impact to the whistleblower. Subsequent measures will be taken after the completion of the investigation based on its gravity; it will be reported to the competent authority or judicial institute if applicable.</p> <p>(3). The company and affiliates shall maintain the confidentiality of the whistleblower, and protect and secure the whistleblower and reporting. The relevant involved in the investigation hereof shall not disclose, in order to make sure the whistleblower does not incur any improper aftermath, revenge, or threat.</p>	<p>No material deviation.</p> <p>No material deviation.</p> <p>No material deviation.</p>
<p>4. Reinforcement of information disclosure</p> <p>Does the company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS?</p>	<p>✓</p>		<p>The company has disclosed Ethical Corporate Management Best Practice Principles details on the company website and MOPS.</p>	<p>No material deviation.</p>

Evaluation item	Implementation status			Deviation from ethical corporate management for TWSE/GTSM Listed Companies and cause
	Y	N	Summary	
5. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation: Conduct of the company and affiliates with each trading partner is arranged based on Ethical Corporate Management Best Practice Principles, which was adopted by the Board of Directors. Board of Directors and the management are committed to implementing and in internal management and external business activities.				
6. Other important information to facilitate a better understanding of the Company's ethical corporate management policies (e.g., review and amendment to Ethical Corporate Principles in terms of company policies): Integrity is the basis of the company and affiliates. We urge all employees to be integrate and responsible for investors, users, and the society. Besides, the trading partners with the company and affiliates are mostly long liaised. All contact with major trading partners is participated in by major management and specialists as a team, in order to ensure fair and open business principle and secure long and sound relations.				

(7). Other important disclosure regarding corporate governance is accessible via: the company has disclosed on MOPS for latest information updated for shareholders by the company.

A. In order to manage internal material information, the company has informed all directors and managers of Insider Trading Prevention Guideline, in order to prevent insider trading.

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

C. Company website: <http://www.namliong-global.com>.

(8). Implementation of internal control system shall disclose following

A. Internal control system statement:

NAM LIONG GLOBAL CORPORATION (Stock code: 5450)

Statement on Internal Control

Date: March 12, 2025

The Company states the following with regard to its internal control system in 2024, based on the findings of its self-assessment:

1. The Company is fully aware that establishing, operating, and maintaining an internal control system are the responsibility of its Board of Directors and management. The Company has established such a system aimed at providing reasonable assurance of the achievement of objectives in the effectiveness and efficiency of operations (including profits, performance, and safeguard of asset security), the reliability, timeliness, and transparency of reporting, and compliance with applicable norms and applicable laws, regulations, and bylaws.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three objectives mentioned above. Furthermore, the effectiveness of an internal control system may change along with changes in environment or circumstances. The internal control system of the Company contains self-monitoring mechanisms, however, and the Company takes corrective actions as soon as a deficiency is identified.
3. The Company judges the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinbelow, the "Regulations"). The internal control system judgment criteria adopted by the Regulations divide internal control into five elements based on the process of management control: (1). control environment (2). risk assessment (3). control activities (4). information and communications (5). monitoring activities. Each element further contains several items. Please refer to the Regulations for details.
4. The Company has assessed the design and operating effectiveness of its internal control system according to the aforesaid criteria.
5. Based on the findings of the assessment mentioned in the preceding paragraph, the Company believes that as of December 31, 2024, its internal control system (including its supervision and management of subsidiaries and its overall implementation of information security), encompassing internal controls for understanding the degree of achievement of operational effectiveness and efficiency objectives, the reliability,

timeliness, and transparency of reporting, and compliance with applicable norms and applicable laws, regulations, and bylaws, is—with the exception of the matters, if any, specifically listed in the Appendix—effectively designed and operating, and reasonably assures the achievement of the above-stated objectives.

6. This Statement will become a major part of the content of the Company's Annual Report and Prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.)
7. This Statement has been passed by the Board of Directors Meeting of the Company held on March 12, 2025, where all of the attending directors expressed dissenting opinions, and the remainder all affirmed the content of this Statement.

NAM LIONG GLOBAL CORPORATION

Chairman: Shao, Ten-Po

General Manager: Wang, Kelly
(Wang, Ling-Shuang)

B. CPA audit report shall be disclosed against Internal control system commissioned to CPA audit: None.

(9). Important resolution of Board of Shareholders and Directors

A. Conclusion and Implementation from Board of Shareholders and Directors Meetings by end of recent fiscal year and until annual report closure:

Date of meeting	Resolution
Annual Shareholders' meeting on June 25, 2024	<p><u>Report Matters:</u></p> <ol style="list-style-type: none"> 1. 2023 Business Report. 2. Audit Committee's Review Report on the 2023 Financial Statements. 3. Distribution of Employees' and Directors' Compensation in 2023. 4. Report on Director Remuneration for 2023. 5. Report on Investment Business. <p><u>Acknowledgement Matters:</u></p> <ol style="list-style-type: none"> 1. Adoption of the 2023 Business Report and Financial Statements. 2. Adoption of the Proposal for 2023 Distribution of Earnings. <p><u>Discussion Matters:</u></p> <p>Amendment to the Company's "Articles of Association".</p>

B. Important resolution of Board of Directors in recent year and by end of closure date of annual report

Date of meeting	Resolution
February 2, 2024	<ul style="list-style-type: none"> • Adoption of changes to the company's grade and salary scale. • Adoption of allocation of 2023 year end bonus by the company. • Adoption of change of the company's stock agency.
March 12, 2024	<ul style="list-style-type: none"> • Adoption of allocation of business performance and incentive bonus for 2023 by the company. • Adoption of 2023 parent company only financial statement, consolidated financial statement and business report. • Adoption of 2023 distribution of earnings by the company. • Adoption of 2023 employees' and directors' compensation by the company. • Adoption of 2023 internal control system disclaimer by the company. • Adoption of 2024 business plan proposal by the company. • Adoption of commission of CPA independence evaluation for 2024. • Adoption of commission of CPA agency by the company for 2024. • Adoption of amendment to "Rules of Procedure for Board of Directors Meetings" by the company. • Adoption of the short-term credit line of the Export-Import Bank of the Republic of China Tainan Branch will expire on March 31, 2024. In view of actual business needs, we plan to apply for renewal.

Date of meeting	Resolution
March 12, 2024	<ul style="list-style-type: none"> • Adoption of Shin Kong Bank Yongkang Branch's short-term comprehensive quota expires on December 21, 2023. In view of actual business needs, we plan to apply for renewal. • Adoption of the land lease case of the company's plant. • Adoption of advance payment is not a capital loan. • Adoption of the Board of Directors resolved to convene the 2024 Annual Shareholders' Meeting.
May 8, 2024	<ul style="list-style-type: none"> • Adoption of 2024Q1 consolidated financial statements by the company. • Adoption of the capital increase record date of ordinary shares converted from the 1st domestic secured convertible bond. • Adoption of amendment to "Articles of Incorporate" by the company. • Adoption of Panhsin Bank Tainan Branch's application for medium-term loan quota. • Adoption of amendment to "Business Performance Incentive Guideline" by the company. • Adoption of allocation of business performance for 2024Q1 by the company.
August 8, 2024	<ul style="list-style-type: none"> • Ratification of allocation of business performance for 2024Q1 by the company. • Adoption of allocation of business performance for 2024Q2 by the company. • Adoption of 2024Q2 consolidated financial statements by the company. • Adoption of adjusting the company's organizational structure. • Adoption of appointment of Wang, Kelly (Wang, Ling-Shuang) as Vice General Manager of. • Adoption of appointment of Pai, Ching-Jen as Vice General Manager of Finance. • Adoption of proposal to lift the non-compete restrictions on the company's managers. • Adoption of Bangkok Bank approved limit. • Adoption of adjustment of investment structure and capital injection into a subsidiary.
November 7, 2024	<ul style="list-style-type: none"> • Adoption of 2025 audit plan by the company. • Adoption of 2024Q3 consolidated financial statements by the company. • Adoption of amending the company's approval authority form. • Adoption of establishment of the company's "Internal Control System and Audit Procedures for the Management of Sustainability Information". • Adoption of land lease case of the company's main plant. • Adoption of amendment to "Business Performance Incentive Guideline" by the company. • Adoption of allocation of business performance for 2024Q3 by the company. • Adoption of changes to the company's grade and salary scale. • Adoption of the salary adjustment for the company's senior executives. • Adoption of First Bank Tainan Branch's short-term credit line is NT\$30 million and was expired on August 10, 2024. In view of actual business needs, we plan to apply for renewal.

Date of meeting	Resolution
November 7, 2024	<ul style="list-style-type: none"> • Adoption of the short-term comprehensive credit line of Mega International Commercial Bank Tainan Branch expires on December 15, 2023. In view of actual business needs, we plan to apply for renewal. • Adoption of amendment to "Audit Committee Charter" by the company
December 18, 2024	<ul style="list-style-type: none"> • Adoption of the Company's General Manager, Chang, Shun-Ching, has submitted a retirement application. • Adoption of appointment of the Company's Vice General Manager, Wang, Kelly (Wang, Ling-Shuang) as General Manager. • Adoption of adjusting the company's organizational structure. • Adoption of change of Manager for the Company's Tainan Branch • Adoption of change of the Company's Spokesperson.
January 22, 2025	<ul style="list-style-type: none"> • Adoption of amendment to "Year-end Bonus Measures" by the company. • Adoption of allocation of 2024 year end bonus by the company.
March 12, 2025	<ul style="list-style-type: none"> • Adoption of allocation of business performance for 2024Q4 by the company. • Adoption of "Remuneration Received as Employee Measures " by the company. • Adoption of 2025 parent company only financial statement, consolidated financial statement and business report. • Adoption of 2024 distribution of earnings by the company. • Adoption of 2024 employees' and directors' and compensation by the company. • Adoption of 2024 internal control system disclaimer by the company. • Adoption of 2025 business plan proposal by the company. • Adoption of commission of CPA independence evaluation for 2025. • Adoption of commission of CPA agency by the company for 2025. • Adoption of the short-term credit line of the Export-Import Bank of the Republic of China Tainan Branch was repaid on December 31, 2024. In view of actual business needs, we plan to apply for a new limit. • Adoption of the short-term comprehensive quota of Shin Kong Bank Dong Tainan Branch was expired on January 1, 2025. In view of actual business needs, we plan to apply for renewal. • Adoption of the application for a syndicated loan with a total credit line of NT\$900 million to the lending consortium led by Land Bank of Taiwan as the managing bank. • Adoption of re-election of directors (including independent directors) • Adoption of release of newly Appointed directors and their representatives from non-competition restrictions • Adoption of the Board of Directors resolved to convene the 2025 Annual Shareholders' Meeting
May 8, 2025	<ul style="list-style-type: none"> • Adoption of 2025Q1 consolidated financial statements by the company. • Adoption of allocation of business performance for 2025Q1 by the company. • Adoption of the salary adjustment for the company's senior executives.

Date of meeting	Resolution
May 8, 2025	<ul style="list-style-type: none"> • Adoption of amendment to "Articles of Incorporate" by the company. • Adoption of amendment to "Year-end Bonus Measures" and "Remuneration Received as Employee Measures" by the company. • Adoption of amending the company's approval authority form. • Adoption of Director (including Independent Director) nomination and qualification review. • Adoption of Bangkok Bank approved limit. • Adoption of plans to initiate a preliminary feasibility assessment for investment and factory establishment in Indonesia.

(10). Recorded or written objection summary of directors or supervisors against material adoption by end of recent year or closure of annual report: N/A.

4. CPA commission details

Unit: NT\$ thousands

Audit agency	Auditor	Audit term	Commission	Non-Audit commission	Total	Remarks
Deloitte & Touche	Chang, Cheng-Hsiu	January 1, 2024 to December 31, 2024	3,950	430 (Tax Compliance Audit)	4,380	
	Huang, Hsiu-Chun					
	Hsu, Ying-Ying		-	375 (Note)	375	

Note: Mainly related to transfer pricing, corporate income tax re-examination, application for operational headquarters recognition, and business registration changes.

(1). Change of audit agency and if reduction in remunerated commission to previous fiscal year, please disclose the old and new commission and reason: N/A.

(2). If reduction over 10% in remunerated commission to previous fiscal year, please disclose the old and new commission, ratio and reason: N/A.

5. Details on change of auditors: None.

6. Disclose chairman, general manager, financial or accounting manager having served at the CPA agency or its affiliated business within the past year with their names and titles, and term of service at CPA agencies or its affiliates: None.

7. Transfer of shares from director, manager whose shareholding ratio is over 10% and alteration in stock pledge by end of fiscal year and closure of annual report

(1). Stock Transfer:

Transfer of shares from directors, managers, and major shareholders

Title	Name	2024		As of April 28, 2025	
		Held share difference	Pledged share difference	Held share difference	Pledged share difference
Chairman (Re-elected on June 23, 2022)	ZI LIONG ENTERPRISE CO., LTD.	-	-	-	-
	Representative: Shao, Ten-Po	-	-	-	-
Director (Re-elected on June 23, 2022)	ZI LIONG ENTERPRISE CO., LTD.	-	-	-	-
	Representative: Hsiao, Chung-Hu	-	-	-	-
Director (Onboard on June 23, 2022)	Chang, Shun-Ching	-	-	-	-
Director (Re-elected on June 23, 2022)	Pai, Ching-Jen	-	-	-	-
Director (Re-elected on June 23, 2022)	Hsiao, Yu-Chiao	-	-	-	-
Director (Onboard on June 23, 2022)	EVER DEVELOPMENT INVESTMENT CO., LTD.	820,000 share	-	-	-
	Representative: Wang, Shih-Ting	-	-	-	-
Independent Director (Re-elected on June 23, 2022)	Huang, Chung-Hui	-	-	-	-
Independent Director (Re-elected on June 23, 2022)	Huang, Wen-Ming	-	-	-	-
Independent Director (Onboard on June 23, 2022)	Tsao, Ching-Ming	-	-	-	-
Strategy Director	Wang, Chuan-Cheng	-	-	-	-
General Manager (Term until December 31, 2024)	Chang, Shun-Ching	-	-	-	-
Vice General Manager (Promoted on August 9, 2024 and promoted to General Manager on January 1, 2025.)	Wang, Kelly (Wang, Ling-Shuang)	-	-	-	-

Title	Name	2024		As of April 28, 2025	
		Held share difference	Pledged share difference	Held share difference	Pledged share difference
Vice General Manager of Finance & Chief Financial Officer (Promoted on August 9, 2024)	Pai, Ching-Jen	-	-	-	-
Accounting Manager / Corporate Governance Officer	Su, Meng-Hsu	-	-	-	-
Finance Manager	Chiu, Shu-Chen	-	-	-	-
Major Shareholder	ZI LIONG ENTERPRISE CO., LTD.	-	-	-	-

Stock Transfer

Name	Reason of stock transfer	Date of transaction	Trading partner	Relations between trading partner with company, directors, supervisors, managers, and shareholders with a shareholding ratio over ten percent	Number of shares	Price
EVER DEVELOPMENT INVESTMENT CO., LTD.	Acquirement	December 23, 2024	HONG LI TEXTILE CO., LTD.	Affiliated party	820,000 share	18.30

(2). Changes in equity pledge: None.

8. Disclosure of top ten shareholders per ratio, or relatives, spouse, kinship within 2nd grade hereto

Top ten shareholders per ratio and relations among them

April 28, 2025; Unit: share ; %

Name	Shareholding		Shareholding by spouse, minor children		Substantial shareholding		Top ten shareholders per ratio, or relatives, spouse, kinship within 2nd grade hereto		Remarks
	Number of shares	%	Number of shares	%	Number of shares	%	Name	Relation	
ZI LIONG ENTERPRISE CO., LTD.	88,221,501	72.07	-	-	-	-	-	-	
Representative: Shao, Ten-Po	-	-	-	-	-	-	-	-	
HONG LI TEXTILE CO., LTD.	2,068,000	1.69	-	-	-	-	-	-	
Representative: Shao, Ten-Po	-	-	-	-	-	-	-	-	
Hung, Che-Yao	1,998,000	1.63	-	-	-	-	-	-	
EVER DEVELOPMENT INVESTMENT CO., LTD.	1,357,760	1.11	-	-	-	-	-	-	
Representative: Shao, Ten-Po	-	-	-	-	-	-	-	-	
Hsieh, Chih-Lin	1,266,000	1.03	-	-	-	-	-	-	
Hsieh, Shih-Ching	1,085,000	0.89	-	-	-	-	-	-	
Chiang, Yung-Neng	947,000	0.77	-	-	-	-	-	-	
Hsu, Ching-Fa	662,000	0.54	-	-	-	-	-	-	
Wang, Hui-Yu	492,000	0.40	-	-	-	-	-	-	
Wang, Ting-Chung	463,000	0.38	-	-	-	-	-	-	

9.Shareholding ratio, consolidated comprehensive shareholding ratio held by the company, directors, supervisors, managers of the company with direct or indirect control over business

Consolidated shareholding ratio

May 23, 2025; Unit: share ; %

Investee	Investment by the company		Investment from directors, supervisors, managers to business under direct or indirect control		Comprehensive investment	
	Number of shares	%	Number of shares	%	Number of shares	%
GREENCHEM INTERNATIONAL CO., LTD.	8,000,000	100	-	-	8,000,000	100
ELEMENTECH INTERNATIONAL CO., LTD.	7,615,980	100	-	-	7,615,980	100
ELEMENTECH (HONG KONG) LIMITED	-	100	-	-	-	100
NAM LIONG INTERNATIONAL INVESTMENT & HOLDING CORP.	1,930,000	100	-	-	1,930,000	100
SPEEDBEST INTERNATIONAL LIMITED	6,810,000	100	-	-	6,810,000	100
NAM LIONG ENTERPRISE CO., LTD. (VIET NAM)	-	100	-	-	-	100
GREENCHEM INTERNATIONAL SHANGHAI CO., LTD.	-	100	-	-	-	100
SUZHOU GREATSUN ELECTRONICS & COMMUNICATIONS CO., LTD.	-	100	-	-	-	100
JIAXING NANXIONG POLYMER CO., LTD.	-	100	-	-	-	100
DONG GUAN NAMLIONG RUBBER MANUFACTURES CO., LTD.	-	100	-	-	-	100

III. Fundraising

1. Capital and shares

(1). Source of equity capita

A. Formation of capital

Year/ Month	Issue price (NT\$)	Approved share capital		Paid-in share capital		Remarks		
		Number of shares (thousands)	Price (NT\$ thousands)	Number of shares (thousands)	Price (NT\$ thousands)	Source of equity capital (NT\$ thousands)	Share price disposition with non- cash property	Other
1989/08	10	1,000	10,000	1,000	10,000	• Foundation of share capital	-	-
1990/10	10	2,500	25,000	2,500	25,000	• 15,000 cash capital increase	-	-
1997/09	10	5,000	50,000	5,000	50,000	• 25,000 cash capital increase	-	-
1997/12	10	18,000	180,000	18,000	180,000	• 130,000 cash capital increase	-	-
1998/07	10	27,000	270,000	20,300	203,000	• 21,600 capital increase from earning • 1,400 capital increase from employee bonus	-	Note 1
1999/08	10	27,000	270,000	22,100	221,000	• 6,240 capital increase from earning 1,760 capital increase from employee bonus	-	Note 2
2000/06	10	33,600	336,000	25,000	250,000	• 26,520 capital increase from earning • 2,480 capital increase from employee bonus	-	Note 3
2001/03	30	33,600	336,000	30,000	300,000	• 50,000 cash capital increase	-	Note 4
2001/07	10	83,200	832,200	38,500	385,000	• 75,000 capital increase from earning • 10,000 capital increase from employee bonus	-	Note 5
2002/07	10	83,200	832,200	51,804	518,040	• 115,500 capital increase from earning • 17,540 capital increase from employee bonus	-	Note 6
2002/09	36	83,200	832,200	59,304	593,040	• 75,000 cash capital increase	-	Note 7

Year/ Month	Issue price (NT\$)	Approved share capital		Paid-in share capital		Remarks		
		Number of shares (thousands)	Price (NT\$ thousands)	Number of shares (thousands)	Price (NT\$ thousands)	Source of equity capital (NT\$ thousands)	Share price disposition with non- cash property	Other
2003/06	10	83,200	832,200	76,225	762,250	<ul style="list-style-type: none"> •148,260 capital increase from earning •20,950 capital increase from employee bonus 	-	Note 8
2004/05	10	106,645	1,066,450	89,061	890,613	<ul style="list-style-type: none"> •45,735 capital increase from earning •68,603 capital increase from paid-in capital •14,025 capital increase from employee bonus 	-	Note 9
2004/12	10	106,645	1,066,450	84,361	843,613	•4,700,000 shares cancelled	-	Note 10
2005/03	10	106,645	1,066,450	83,161	831,613	•1,200,000 shares cancelled	-	Note 11
2005/06	10	106,645	1,066,450	78,161	781,613	•5,000,000 shares cancelled	-	Note 12
2005/07	10	106,645	1,066,450	76,661	766,613	•1,500,000 shares cancelled	-	Note 13
2005/10	10	106,645	1,066,450	72,661	726,613	•4,000,000 shares cancelled	-	Note 14
2006/01	10	106,645	1,066,450	68,661	686,613	•4,000,000 shares cancelled	-	Note 15
2006/03	10	106,645	1,066,450	66,661	666,613	•2,000,000 shares cancelled	-	Note 16
2006/05	10	106,645	1,066,450	64,661	646,613	•2,000,000 shares cancelled	-	Note 17
2006/07	10	106,645	1,066,450	61,661	616,613	•3,000,000 shares cancelled	-	Note 18
2006/10	10	106,645	1,066,450	58,661	586,613	•3,000,000 shares cancelled	-	Note 19
2006/12	10	106,645	1,066,450	55,661	556,613	•3,000,000 shares cancelled	-	Note 20
2009/02	10	106,645	1,066,450	50,392	503,923	•5,269,000 shares cancelled	-	Note 21

Year/ Month	Issue price (NT\$)	Approved share capital		Paid-in share capital		Remarks		
		Number of shares (thousands)	Price (NT\$ thousands)	Number of shares (thousands)	Price (NT\$ thousands)	Source of equity capital (NT\$ thousands)	Share price disposition with non- cash property	Other
2019/01	10	200,000	2,000,000	122,392	1,223,923	• 72,000,000 shares of private replacement	-	Note 22
2024/05	10	200,000	2,000,000	122,403	1,224,032	• Convertible bonds converted into 10,989 shares	-	Note 23

Note 1: (98)Taiwan treasury (1) ref. 56205 approval of 4 July 1998.

Note 2: (99)Taiwan treasury (1) ref. 63199 approval of 22 July 1999.

Note 3: (00)Taiwan treasury (1) ref. 44962 approval of 24 May 2000.

Note 4: (01)Taiwan treasury (1) ref. 100196 approval of 16 Jan. 2001.

Note 5: (01)Taiwan treasury (1) ref. 137876 approval of 14 June 2001.

Note 6: Taiwan treasury 1 ref. 0910134003 approval of 21 June 2002.

Note 7: Taiwan treasury 1 ref. 0910134001 approval of 1 July 2002.

Note 8: Taiwan treasury 1 ref. 0920124203 approval of 3 June 2003.

Note 9: Taiwan treasury 1 ref. 0930124098 approval of 31 May 2004.

Note 10: Commercial sales 1 ref. 09301238780 approval of 16 Dec. 2004.

Note 11: Commercial sales 1 ref. 09401043240 approval of 28 March 2005.

Note 12: Commercial sales 1 ref. 09401096730 approval of 2 June 2005.

Note 13: Commercial sales 1 ref. 09401125680 approval of 13 July 2005.

Note 14: Commercial sales 1 ref. 09401199420 approval of 6 Oct. 2005.

Note 15: Commercial sales 1 ref. 09401269520 approval of 3 Jan. 2006.

Note 16: Commercial sales 1 ref. 09501048020 approval of 24 March 2006.

Note 17: Commercial sales 1 ref. 09501086960 approval of 11 May 2006.

Note 18: Commercial sales 1 ref. 09501150390 approval of 20 July 2006.

Note 19: Commercial sales 1 ref. 09501230390 approval of 13 Oct. 2006.

Note 20: Commercial sales 1 ref. 09501280500 approval of 18 Dec. 2006.

Note 21: Commercial sales 1 ref. 09801025460 approval of 13 Feb. 2009.

Note 22: Commercial sales 1 ref. 10801008480 approval of 28 Jan. 2019.

Note 23: Commercial sales 1 ref. 11330087430 approval of 12 June. 2024.

B. Equity

Unit: shares

Equity	Approved share capital			Remarks
	Shares outstanding	Unissued shares	Total	
Registered ordinary shares	122,403,239	77,596,761	200,000,000	Listed

C. Overall declaration system: N/A.

(2). Major shareholders

April 28, 2025

Major shareholders	Number	Number of shares held	Shareholding ratio
ZI LIONG ENTERPRISE CO., LTD.		88,221,501	72.07%
HONG LI TEXTILE CO., LTD.		2,068,000	1.69%
Hung, Che-Yao		1,998,000	1.63%
EVER DEVELOPMENT INVESTMENT CO., LTD.		1,357,760	1.11%
Hsieh, Chih-Lin		1,266,000	1.03%
Hsieh, Shih-Ching		1,085,000	0.89%
Chiang, Yung-Neng		947,000	0.77%
Hsu, Ching-Fa		662,000	0.54%
Wang, Hui-Yu		492,000	0.40%
Wang, Ting-Chung		463,000	0.38%

(3). Dividend policy by company & implementation

A. Dividend policy of articles of incorporate:

Dividend allocation policy by the company depends on current and future investment conditions, capital requirements, domestic and international competition conditions, capital requirements and sound financial planning, other factors, etc. for sustainability. Number of shares issued per year is equal to distributable total earning minus reservation for business performance conditions, set as 10% minimum; cash is preferred for dividend distribution and is 10% minimum of issued dividend total. Rest is distributed in dividends. No distribution of dividend will take place in the event of EPS under NT\$0.1.

B. Implementation:

The distribution of earnings by the company for 2024 is allocated from shareholder bonus of 2023's undistributed earnings at NT\$61,201,620.

C. Anticipated material change in dividend policy: None.

(4). Effects of stock grant proposal from shareholders' meeting to business performance and earning per share: N/A.

(5). Employee's and director's compensation

A. Employee and director share ownership ratios or range stipulated by articles of incorporation:

Articles of incorporate stipulates director remuneration shall be allocated not over 2% of annual earning before distribution of earnings by the company; 1% to

2% for employee remuneration. Should the company has accumulative loss, a reservation shall be kept herefor, then be allocated for employee and director remuneration according to the aforesaid ratio. Aforesaid employee remuneration shall be distributed in shares or cash including for conditioned official employees.

B. Accounting process in the event of difference between distribution basis of employee and director bonus, calculation basis of number of shares distributed to employee bonus, actual distributed amount for current year and estimation:

Should there be change in employee remuneration and director remuneration resolved by Board of Directors, the difference from change shall be arranged based on accounting process for change and resolved into the account by Board of Directors; it will not affect adopted financial statements.

C. Distribution of bonus distribution adopted in the board of directors meeting:

a 2024 employee remuneration and director remuneration by the company was adopted on March 7, 2025. Employee remuneration is NT\$1,670,000. Director remuneration is NT\$1,350,000. Aforesaid remuneration was all distributed in cash.

b Employee bonus and director bonus distributed in cash or stocks: should there be difference between annual recognition, the difference, casue, and resolution shall be disclosed: no difference exists between adopted employee remuneration and director remuneration and 2024's recognition.

c Employee bonus distributed in stocks and its ratio to total of earnings after tax from parent company only financial statement & employee bonus: N/A.

D. Actual distribution of employee and director bonus to previous year (including number of distributed shares, amount and price), and specify if difference between aforesaid and employee bonus and director bonus, and its reason and reaction: N/A.

(6). Company purchase of stocks: N/A.

2.Implementation of convertible bond

Types of Convertible Bond	1st Secured Convertible Bond
Issue Date	March 21, 2023
Face Value	NT\$100,000
Place of Issue and Exchange	N/A
Issue Price	The issue price is based on the 116.23% face value
Total Value	NT\$500,000,000
Interest Rate	0% Coupon rate
Issue Period	The issue period is 5 years, starting March 21, 2023. The maturity date is March 21, 2028.
Guarantee Institution	Land Bank of Taiwan
Trustee	Yuanta Commercial Bank
Underwriter	Jih Sun Securities Co., Ltd.
Certiciation Lawyer	Attorney Chiu, Ya-Wen, Far East Law Office
Certiciation CPA	Huang, Hsiu-Chun and Chuang, Pi-Yu, Deloitte & Touche
Redemption of Bonds	<p>The secured convertible bonds will be repaid in cash within ten business days (including the 10th business day) based on the bond's face value, with the exception of the following:</p> <ol style="list-style-type: none"> 1. Bondholders are allowed to convert the secured convertible bonds into ordinary shares of the Company under Article 10 of relevant measures, or redeem secured convertible bonds in advance in accordance with Article 18. Or 2. The Company exercises its right to repurchase secured convertible bonds from an over-the-counter market in accordance with Article 19. <p>If the repayment date falls on a closing day of the Taipei Stock Exchange, it will be postponed to the next business day.</p>
Outstanding principal	NT\$499,800,000
The articles of redemption or pay off in advance	Please refer to convertible bond and conversion guideline by the company.
Restrictions	N/A
The name of Credit Evaluation Institution, Evaluate Date, Result of Corporate Bond Evaluation	N/A

Other Right	Amount of converted (exchanged or subscribed) ordinary shares, overseas depositary receipts or other securities as of the publication date of the annual report	As of May 23, 2025, a total of NT\$200,000 of convertible bond has been exercised, and a total of 10,989 ordinary shares have been converted.
	Issue and transfer (exchange or purchase plan)	Please refer to convertible bond and guideline by the company.
Issue and Transfer/ Exchange or Subscript Method for shares/ Possible Dilution Situation of Equity by Issuance Conditions and The Influence to Current Shareholders' Right		No significant impact yet
The Name of Entrusted Depositary Institution		N/A

Convertible bond information

Corporate bond		First domestic guaranteed convertible bond	
Item	Year	2024	Current year as of May 23, 2025
Market price of convertible bond	Peak	128.35	115.50
	Bottom	106.20	101.65
	Mean	118.69	104.19
Convertible price		NT\$18	NT\$18
Conversion (effective) price per date of issuance		The conversion price was NT\$18.8 per issuance on March 21, 2023. The conversion price was adjusted to NT\$18 on August 23, 2024.	
Fulfillment of conversion obligations		Issuance of new shares	

3. Preferred shares: None.

4. Global depositary receipt: None.

5. Employee stock option: None.

6. Limitation to employee subscription to new stocks: None.

7. Merger or acquisition of new shares from other companies: None.

8. Implementation of capital allocation plan

(1). Plan and implementation of previous issuance or private placement of marketable securities by previous season of end of book closure:

Unit: NT\$

Issuance plan	First domestic guaranteed convertible bond			
Issuance	NT\$500,000,000			
Date of issuance	March 21, 2023			
Purpose of capital	Implementation		2024	Ahead of schedule, behind in progress, reasons, and improvement plans
Repayment of bank loan	Expenditure	Estimation	581,140 thousand	After the fund raising was completed on March 17, 2023, arrangements were made to repay the bank borrowings, which was fully implemented in 2023Q2 according to the estimation plan, and there were no major abnormalities.
		De facto	581,140 thousand	
	Implementation	Estimation	100.00%	
		De facto	100.00%	
Actual achievement of scheduled benefits	The company will repay bank borrowings in advance with the funds raised, which can save interest expenses and improve the financial structure, improving the company's overall operational competitiveness. The amount of funds raised this time will be fully used to repay bank borrowings. Based on the borrowing interest rate, it is expected that after repaying the borrowings, it will save approximately NT\$9,815 thousand in interest expenses in 2023. In the future, it will save up to about NT\$16,257 thousand in interest expenses each year. In addition to reducing the company's In addition to reducing the financial burden, it can also improve the financial structure and enhance solvency.			

(2). Previous issuances or private placement of securities of which the plan is complete in the past three years without significant benefit: None.

IV. Operation

1. Business

(1). Scope of business

A. Core operating business

C301010	Spinning of Yarn
C302010	Weaving of Textiles
C303010	Manufacture of Non-woven Fabrics
C306010	Wearing Apparel
C399990	Other Textile and Products Manufacturing
C402030	Manufacture of Leather, Fur and Related Products
C804020	Industrial Rubber Products Manufacturing
C804990	Other Rubber Products Manufacturing
C805020	Manufacture of Plastic Films and Bags
C805990	Other Plastic Products Manufacturing
C901060	Manufacture of Refractory Products
CF01011	Medical Devices Manufacturing
CI01020	Rug and Felt Manufacturing
CK01010	Footwear Manufacturing
CM01010	Case and Bag Manufacturing
CZ99990	Manufacture of Other Industrial Products Not Elsewhere Classified
D101060	Self-usage power generation equipment utilizing renewable energy industry
EZ05010	Instrument and Meters Installation Engineering
F104110	Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories
F105050	Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures
F106050	Wholesale of Ceramic and Glassware
F107170	Wholesale of Industrial Catalyst
F107990	Wholesale of Other Chemical Products
F108031	Wholesale of Medical Devices
F109070	Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies
F120010	Wholesale of Refractory Materials
F199990	Other Wholesale Trade
F203010	Retail Sale of Food, Grocery and Beverage
F204110	Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories
F205040	Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures
F206020	Retail Sale of daily commodities
F207030	Retail Sale of Cleaning Supplies

F207990	Retail Sale of Other Chemical Products
F208031	Retail Sale of Medical Apparatus
F208040	Retail Sale of Cosmetics
F209060	Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies
F220010	Retail Sale of Refractory Materials
F299990	Retail Sale of Other Products
F399040	Retail Sale No Storefront
F401010	International Trade
G799990	Other Transportation Support
H703100	Real Estate Leasing
I103060	Management Consulting
I301010	Information Software Services
IG03010	Energy Technical Services
JE01010	Rental and Leasing
JZ99990	Unclassified Other Services
ZZ99999	All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

B. Major products and business ratio

Unit: NT\$ thousands

Products	2024 Gross Sales	Ratio to business(%)
Textile Composites	2,444,288	91.58
Chemical Product	170,027	6.37
Electronic Product	54,766	2.05
Total	2,669,081	100.00

C. Current products (service) of the company

a Textile Composites

- (a) Hook loop and functional tapes
- (b) Functional protective textiles and products
- (c) Polymeric elastomer foam composite materials
- (d) Functional membrane and composite materials
- (e) Healthcare & bedding products

b Chemical Product

- (a) Technical chemicals
- (b) Polymer products

c Electronic Product

D. New products under development

Textile Composites

In the development of green environmental processes and recycled materials, our company continues to dedicate itself to Eco-Family, exploring various renewable materials, agricultural and fisheries waste materials, processing these environmentally friendly materials for reuse, and producing products that can replace petrochemical materials. The use of these alternative materials will help reduce reliance on finite petrochemical resources while reducing negative environmental impacts. The main development direction focuses on "Replace, Recycle, Reduce," including the development of environmentally friendly hook and loop series, recycled textile yarn and fabric development, bio-based rubber sponge material series, bio-based film materials (TPPE/TPAE), water-based environmentally friendly adhesive (Supracoa), and has obtained relevant certifications such as Oeko-Tex Standard 100 and GRS.

To meet the market demand for finished products, our company will enter the medical industry, from material systems to medical auxiliary systems and health technology products. Meanwhile, we have obtained ISO 13485 certification, QMS certification, and manufacturing industry medical equipment business license to ensure product safety and reliability.

Chemical Product

Amid the environmental sustainability trend globally, we constantly invest in deodorant and sterilization 2-1 formula, which is a natural green type for sterilization, moisture absorption, warming, cooling, and developing green products accordingly. We have respect for life and the environment as a core company value.

Electronic Product

Besides our long endeavour in POS sales, we are focusing on the development of domestic power storage (not high energy storage) and power supply for internet communication products. We are developing Power over Ethernet (PoE). Amid the development of information in the future, internet, communication and consumer electronics, we are constantly developing new competitive products and gradually expanding the applications of each product.

(2). Industry overview

A. Current and future industry

Textile Composites

According to Bizwit Research & Consulting LLP, the global textile composites market was valued at approximately USD 7.91 billion in 2023. Major application

areas include aerospace, automotive, construction, sporting goods, and protective equipment. The market is projected to grow at a robust compound annual growth rate (CAGR) of 6.9% from 2024 to 2032, with the Asia-Pacific region expected to lead in growth. Under the global trends of climate change and green transformation, the textile composite industry also faces challenges of carbon reduction and sustainable development. It must actively develop green and low-carbon recycled environmentally friendly materials to enhance product environmental performance and meet global trends and consumer demand.

The company is committed to providing high-quality, high-performance products and services to customers, with "Adaptation, Innovation, Maximizing Value Creation, and Building Sustainable New Business Models" as the core strategic thinking. In 2024, the company developed three major strategic directions: "Implementing Sustainable Carbon Reduction Development, Aligning with Brand Carbon Reduction Trends, and Continuously Improving Key Advantages".

In the safety protection market, lightweight protection combined with the development of intelligent equipment products is promoted, with a focus on respecting life and intelligence. By combining special fibers or additives with higher tensile strength and durability textile materials or polymer foaming technology, they are used in personal safety, outdoor extreme sports, or work safety protection applications, committed to providing the necessary protection for the human body. In the outdoor sports and leisure market, high-functionality, high-comfort, and high-durability outdoor sports apparel materials are developed for application. In the medical and care market, functional material applications are extended, and functional materials are designed to have technological content to meet the needs of health care.

Chemical Product

Functional auxiliaries have diverse and broad applications. The products shall comply with various industrial requirements with new usages. Amid the industrial change, market shift, technical advancements and calls for green companies, functional auxiliaries are facing challenges in terms of environmental sustainability. In recent years there has been an increase in environmental concerns, and there are calls for more environmentally-friendly products, which limits industrial development. For this goal, alongside with the reduction of trade barriers, we are phasing out non-environmentally friendly products into low-pollution processes and working on the R&D of functional products, etc.

Functional auxiliaries have had ups and downs amid the environmental change. The market is phasing out non-environmentally friendly products, and flows amid conditions of the downstream industry. In order to move towards environmental-

friendliness and sustainability, we shall enhance research and development continuously. We expand our market and move forward to low-pollution processes and high-added value and environmentally friendly products, so that new opportunities will be created and sustainability will be implemented amid the call.

Electronic Product

Power supply is a key component of all electronic products. Its application ranges from information, internet, communication, industry, national defense, aerospace equipment and consumer electronics, etc. The requirements for products are highly correlated to downstream market conditions, while it is not subject to market conditions of a given downstream industry, it is growing amid the rise of the application of each product. We therefore foresee the margin in the Power supply.

Taiwan's Power supply started to develop in the 60s. Manual wiring was conducted at an early stage. Amid the beginning 80s video game consoles' fever, switching power supply started to develop. There were barely a few companies in the beginning. Amid the later flourishing of personal computers and the information industry, it became nearly 300 companies in 1997. Under the following impact of the Asian Financial Crisis in 1998, low-globalised, small, weak companies were phased out. Currently there are nearly one hundred companies. Most big application companies have relocated their production plants overseas (majority of which transferred to Mainland China and South East Asia) due to production costs and downstream applications. Power supply suppliers relocated their production plants overseas, in order to reduce product costs and facilitate customer access.

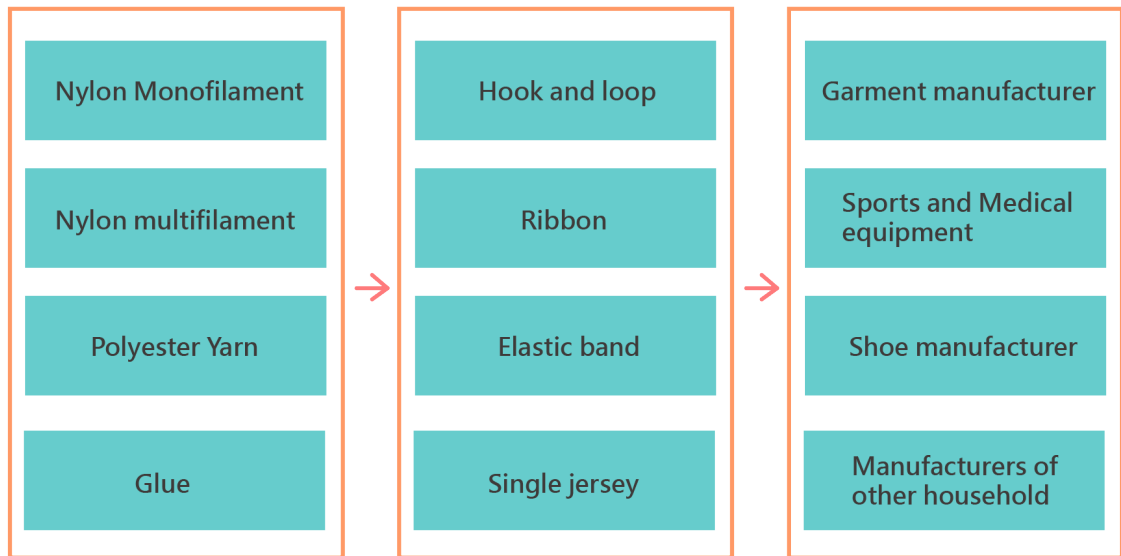
The market has recently changed amid end product applications. Upstream supplies tend not to spare inventory for long and increase the price due to demands from the market. Downstream customers shorten the lead time and reduce the costs. Large and slow companies are incurring immense adversity and transform or exit from the market.

Mainland Chinese plants are thriving and enter the international market with high demands of Mainland China. Price competition in the market is therefore stiff. Domestic medium and small Power supply suppliers transform to developers of specific applications of the Power supply.

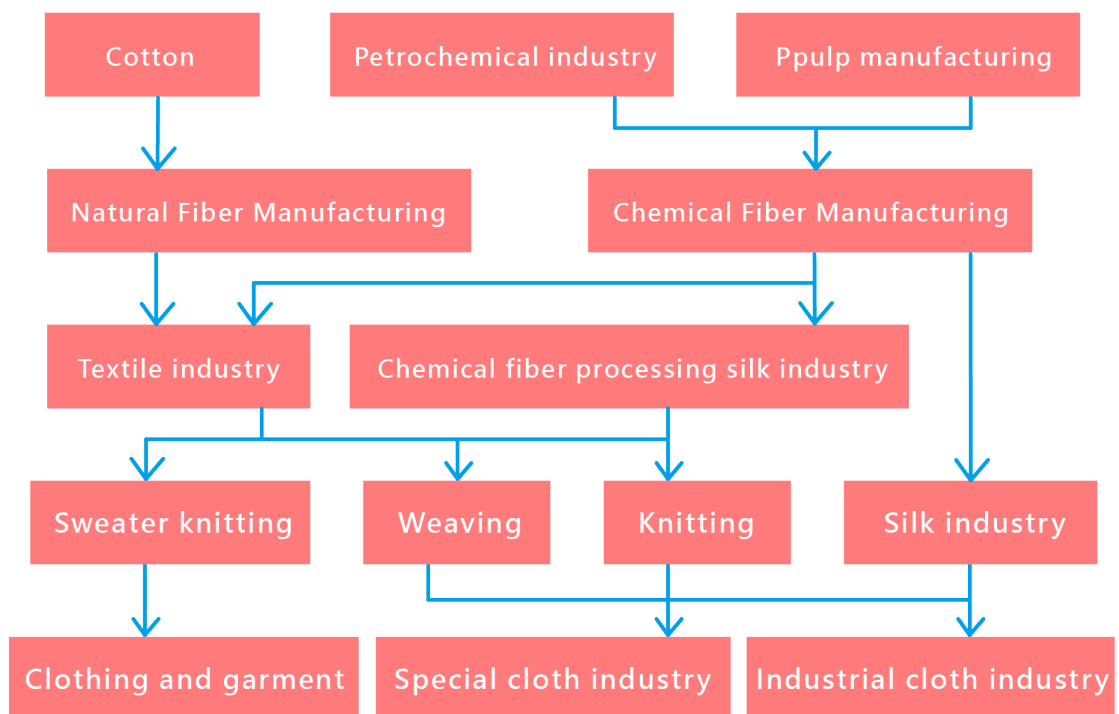
B. Association of up-, mid-, and downstream industries

Textile Composites

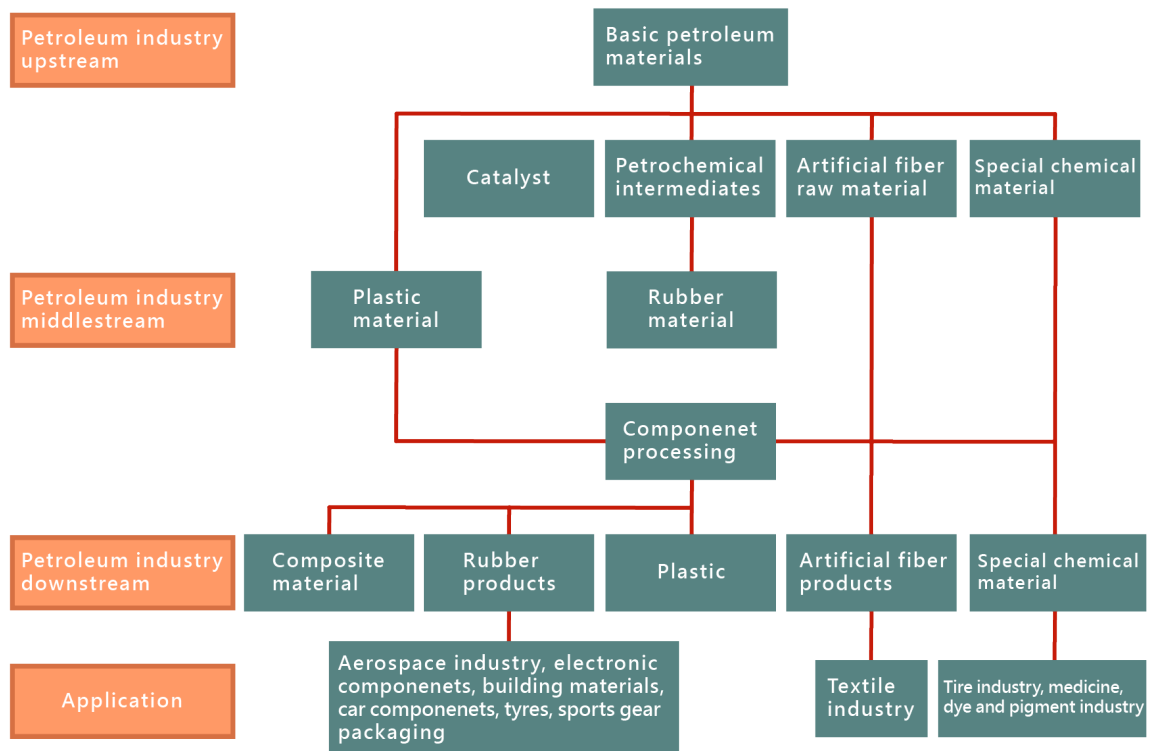
■ Hook loop and functional tapes



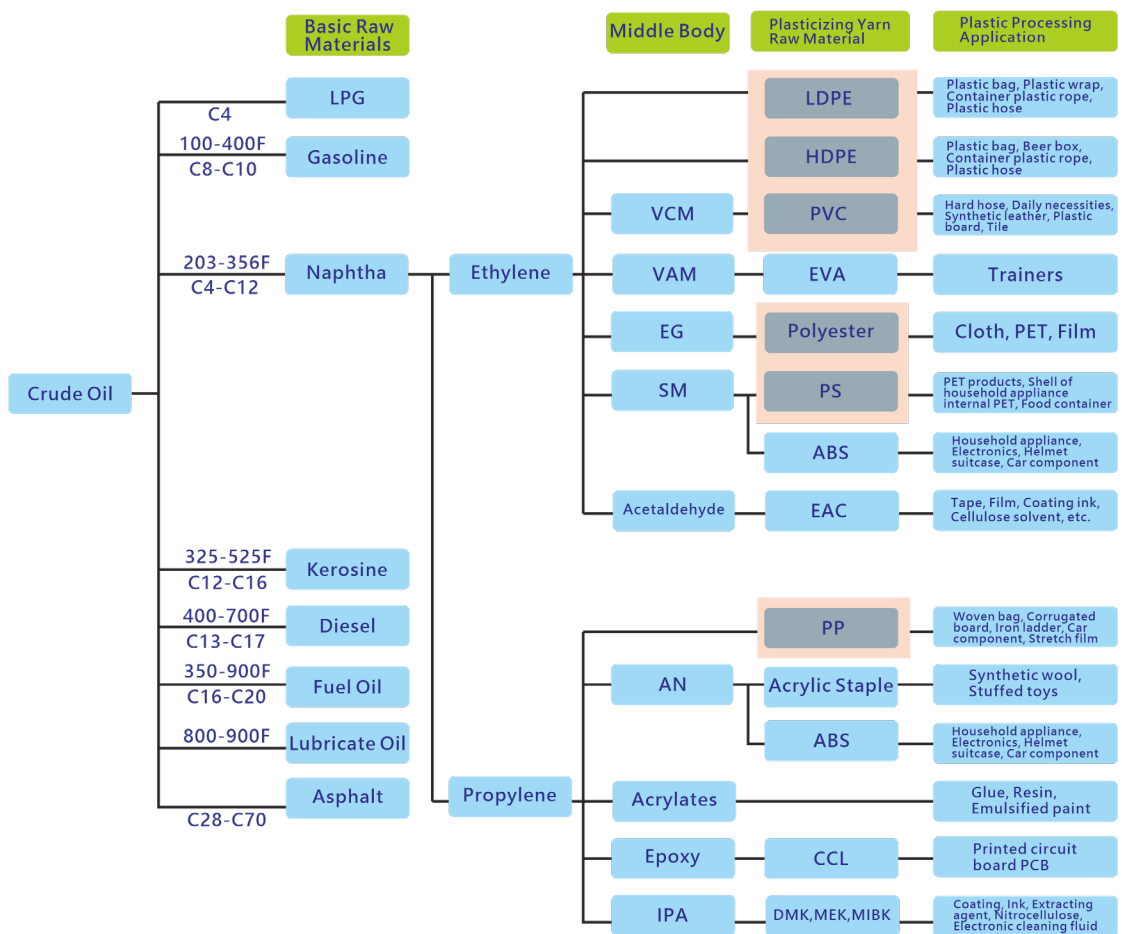
■ Functional protective textiles and products



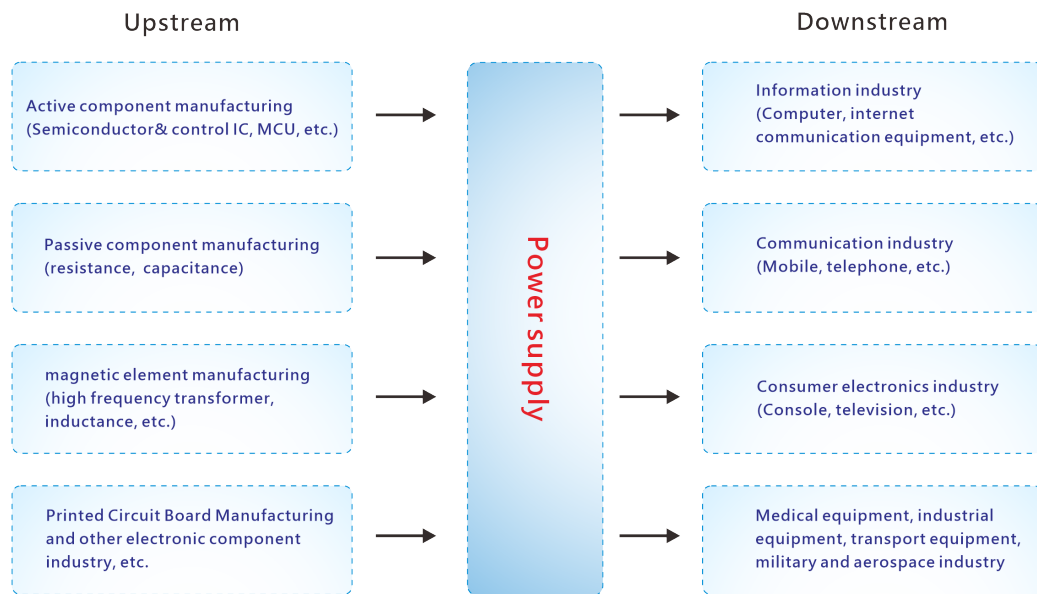
■ Polymeric elastomer foam composite materials



Chemical Product



Electronic Product



C. Development trend and competitive of products

Product development trend

a Textile Composites

The overall textile and polymer industry is easily affected by changes in the international economy, such as currency inflation in various countries and the sharp rise in oil prices caused by international wars, resulting in material shortages, short chains, broken chains, and price increases, severely affecting company operations. To maintain the operation and profitability of the company, changes must be made to production, sales methods, and new product development.

■ Hook loop and functional tapes

In order to meet the diversified market and special needs of customers, efforts are made to develop environmentally friendly series of hook and loop fasteners, new products, or customized products, combining different processing processes and multi-level processing applications to provide highly customized products and services, further consolidating customer relationships, while expanding applications in different industries, increasing sales of existing products, or market share.

■ Functional protective textiles and products

In response to the needs of work safety protection, personal safety, and special sports protection, special textile fibers and related products are developed, and mixed recycled and recycled yarn applications are launched, ARMORTEX®

(abrasion-resistant fabric, cut-resistant fabric, non-slip fabric, elastic fabric, reflective fabric, multifunctional fabric) and ZEROMELTS® (fireproof fabric) are developed and promoted, continuously optimized towards the goals of improving comfort and increasing protection, to meet the needs of various industries in protection applications.

■ Polymeric elastomer foam composite materials

In recent years, we have developed bio-based rubber sponge, bio-based thermoplastic sponge, and abrasion-resistant, anti-slip fabrics made from recycled rubber sponge. These innovations focus on replacing a portion of petrochemical raw materials with natural resources, renewable bio-based materials, and recycled eco-friendly materials to fulfill the 3R principles: (Renewable, Reduce, and Recycle). These products are not only used in various consumer markets, such as outdoor sports equipment and water markets, but also in industrial markets. In the future, we will move towards supercritical foam fluid technology, bio-based and recycled materials development, actively cooperate with international brands to jointly achieve sustainable development goals.

■ Functional membrane and composite materials

Efforts are made to develop TPEE thermoplastic polyester elastomer, TPAE thermoplastic polyamide elastomer, inflatable materials, various functional films, functional masterbatches, combined with different production and processing technologies such as moisture-reactive PUR/oil-based PU roller coating & scraper, and obtain material certification and verification to ensure quality and physical property requirements; efforts will continue to be made in the production process to be free of plasticizers, and materials can be reused, towards the goals of carbon reduction and circular economy.

b Chemical Product

■ Technical Chemicals

Specific chemical products are of industrial single type chemical material or various chemical compounds or formulae for the improvement of product characteristics or to endow specific functions; it takes up a minor cost of downstream customers and is mostly produced per batch, thus it is highly-priced with small quantity.

Taiwan's specialized industry focuses on the regional application market as its main operation. The overall industry is highly influenced and affected by the international economy. The industrial development lacks a self-owned technique. Overall, the specialized industry focuses on sales of reputed foreign brands as its main business.

The domestic market has been gradually shrinking due to the accelerated relocation of downstream industries, inevitably intensifying competition among industry peers. Going forward, the company will focus on expanding international distribution channels and aligning with global brands as key strategic directions.

Sanitation and production, environmental protection, recycling and other environmental issues will have a sound impact on the development of chemical products. The company will overcome the crisis and create opportunities by investing in development of new products. Product development aims to produce and make use of green, natural products, cooperation and creation with process suppliers downstream.

■ Polymer Products

Polymer products are an application of petrochemical basic raw materials. It is an old industry with wide usage downstream and irreplaceable, ranging from coating, adhesive, ink, caulk, etc. Through adjustment in formulae, it will reflect characteristics and functions; thus, it is widely applied to leather, synthetic leather, fiber, electronics, architecture, aerospace transport, papermaking, cars, optoelectronics information, etc. It is highly associated from beginning until the end. It is an indispensable basic industry of Taiwan, and a key to enhancing the competitiveness for downstream industries.

Currently Mainland China is the largest petrochemical market in Asia, and as well the most competing region. The recent Mainland Chinese petrochemical industry is expanding its capability for its products. It is anticipated that it will import less and thus self-dependent. Without good production conditions and stable quality, Taiwan's plants cannot compete with Mainland Chinese competitors. We cannot depend on the Mainland Chinese market. We shall develop proactively the emerging markets to spread the risk.

Currently, our domestic petrochemical companies shall transform and upgrade towards diversification in products, in terms of shift to high added value products. Taiwan lacks energy resources and is dense. Domestic production and outsourcing are both high-cost. Only when we maintain innovation and environmental-friendliness for the industry, we will then withstand the harsh and surging competition from Mainland China. There will probably be loads of room for development. It will allow reduction of dependence on bulk products and diversity in development.

c Electronic Product

Given that semiconductor materials have become more efficient and smaller, power supplies are renovating. Portable Power supplies have downsized. Power

supplies of other applications seek increase in power conversion; the company invests in the study of material application and develops new products against different applications in the market. We anticipate shifting from having only one single product in the market.

Competition

a Textile Composites

The company adopts innovative research and development technologies in the development of textile composites, and through complete international certification, ensures the requirements of relevant physical properties. Combining upstream and downstream supply chains to jointly construct a sustainable ecosystem, while having multiple production bases in the Asian region; in terms of marketing, providing cross-disciplinary, cross-industry integrated solutions, responding quickly to customer needs, winning the high trust and recognition of international brand customers, these efforts continue to establish core competitive advantages in the textile composite industry competition.

To maintain sustained core competitive advantages, in terms of production efficiency, continuous optimization of old equipment is necessary, and the degree of automation in production must be improved. Through system recording of production conditions for each batch and application of automated inspection systems, production speed and product quality stability can be accelerated. At the same time, phased planning for personnel succession is emphasized to ensure smooth production processes. In marketing layout, promotion is conducted in a global manner. In addition to participating in traditional international professional exhibitions, online marketing tools are also utilized to allow customers to actively search for relevant information, thereby expanding market share.

b Chemical Product

■ Technical Chemicals

Taiwan's special chemical plants have added value with a huge difference from just being one single global brand. Taiwan's special chemical plants are small in scope and have difficulty in resource integration and lack R & D resources, thus are difficult to manage. The special chemical industry faces completion from domestic as well as global brands. The company shall endeavor to develop high added value and diversified products.

The company will strive to grasp the development trend of green environmental protection products, establish independent technology, and focus on the development of product application needs, continuing the positioning as a "Solution Provider". In addition to chemical supply, we will also

strengthen technical support and after-sales service, actively assisting customers and creating value for demand.

■ Polymer Products

Polymer products have diverse and broad applications. New usages shall be developed for the products on customers' requirements downstream. Along with industrial change, market shift, technical advancements and green competitiveness, the polymer industry shall face challenges in environmental-friendliness and sustainability.

Taiwan's domestic market is phasing out. Export sales has become a key to development and Mainland China is seen as a major market. Customers downstream are relocating to Mainland China, ASEAN member states, and other emerging markets. Loads of companies establish plants locally in the emerging states. Mainland Chinese products are gradually having oversupply. It has become an industrial competition in place of cooperation across the Taiwan Strait. The polymer companies in Taiwan shall endeavor to develop high added value and diversified products.

Despite the mature development of the polymer industry, the lack of market information by the companies and their intentions for scale production might lead to excessive investment; under excessive productivity, companies accept small orders and price drops as chaos in supply and demand ensues.

The company focuses on the development of different green products for competitiveness with market segmentation to gain.

c Electronic Product

Under the impact of the China-US trade war, the increase in customs urged part of production plants to exit from Mainland China; the supply chain adjusted accordingly along with the phase-out of competition by different production plants overseas or medium and small plants without price competitiveness; the company has negotiated with outsourced plants in Taiwan and other countries in Asia (Vietnam). We divide the outsource commission against different customers and products, which leaves the forwarding option for customers and ensures competitiveness in the market.

(3). Technique and R&D

A. Technical level and R&D of operating business

a Textile Composites

Future R&D plan and investment:

R&D product	R&D and mass production schedules	R&D estimation	Major factors that will impact the R&D in future
Development of green processed products	Under product development and trial production. Continue product expansion in 2025. New products developed in 2024 have successfully entered mass production and been launched.	R&D cost overall makes up of personnel charge and product development.	1. Product development and trial production of environmentally friendly composite adhesive applications, and continued to increase product items. 2. Development and trial production of environmentally friendly yarns, and successively adding product items. 3. Green and environmentally friendly sponges have been added to the series of products and new product development has continued.
WSR circular recycling (textile and polymer materials) and reused polymer composite project	Under product development and trial production. Continue product expansion in 2025.	R&D cost overall makes up of personnel charge and product development.	1. TPU scraps are recycled and developed into new application materials, product development and formula trial production or used in the development of new application membrane materials. 2. Recycle sponge foam and laminate waste and develop new products.
Enhancing R&D of high flame-retardant aluminum-laminated protective materials	Under product development. Continue product expansion in 2025.	R&D cost overall makes up of personnel charge and product development.	1. Independently develop high-protection products, with the goal of application in boilers and firefighting personnel. 2. Differentiate from low-end products and align with the high-end international market.

R&D product	R&D and mass production schedules	R&D estimation	Major factors that will impact the R&D in future
Functional/energy-enhancing innerwear (e.g., shirts, pants, socks), graphene + swiftlet nest protein bedding	Under product development and trial production. The development is expected to be completed by the end of 2025.	R&D cost overall makes up of personnel charge and product development.	1.Innerwear products are expected to evaluate market trends in 2025Q1, select suitable and competitive materials, and plan to launch them in Q2. 2.Bedding productsis expected to evaluate market trends in 2025Q2, select suitable and competitive materials, and plan to launch it in Q3 to Q4.
Development of marine waste recycling functional belts	Trial production has been completed, with mass production planned for 2025, and continuous development of new product lines underway.	R&D cost overall makes up of personnel charge and product development.	Use marine waste recycled materials to develop new circular economy products to enhance product value and comply with the trend of international brands' environmental demands.

b Electronic Product

In addition to focusing on developing a new business model that integrates power supply design, electromagnetic compatibility, and comprehensive compliance with international safety regulations, the company is also incorporating its accumulated energy-saving patented circuits into the latest energy efficiency standards. This aims to expand market share in the consumer sector by developing more competitive products. Key development areas include Ethernet power supplies, power sources for medical equipment, power supplies for communication and industrial devices, and high-concentration negative ion generators for environmental air improvement. By leveraging resources from industry, government, and academia, as well as the expertise and integrative technical capabilities of senior colleagues, the company connects academic research outcomes with customer needs and commercializes them.

Future R&D plans and estimated investment:

R&D product	R&D and mass production schedules	R&D estimation	Major factors that will impact the R&D in future
Solar Water Heaters Leakage Circuit Breaker (for residential use)	Development started in 2025 Q1. To complete in 2025Q3.	R&D cost overall makes up of personnel charge and product development.	1. Selection of components to accelerate development speed 2. Verification and stable production capability for quality assurance
Development of Power Supplies Meeting New Energy Efficiency Regulations (Level 7)	Development started in 2025 Q2. To complete in 2025Q4.	R&D cost overall makes up of personnel charge and product development.	1.Development efficiency 2.Support customers in compatibility matching, troubleshooting, and integration capabilities
Implementing a New Business Model of Power Solutions that Adds Value through Service	Development started in 2023 Q2. To complete in 2025Q4.	R&D cost overall makes up of personnel charge and product development.	1.Project management skills 2.Communication skills with customers throughout the development process.

B. Investment R&D expenses in 2024 and as of March 31, 2025

Unit: NT\$ thousands

Item \ Year	2024	As of March 31, 2025 (Note)
R&D Expenses	71,708	17,290
Operating Revenue	2,669,081	600,072
Ratio to Operating Revenue	2.69%	2.88%

Note: Reviewed by CPA.

C. Developed products in 2024 to as of March 31, 2025

Year	Item	Profit
2024 to March 2025	GRS hook and loop fasteners	Completed development. Continue providing testing services to customers.
	Fully recycled single polyester composite	Completed part of development. Continue to develop and verify according to market demand.
	High biomass-content membrane material	Product development is ongoing, continuously aligned with market demands for development and validation.

Year	Item	Profit
2024 to March 2025	Development of anti-cutting functional fabric using recycled coffee grounds as raw materials	Completed development. Continuously provide customer testing and complete supplier raw material certification.
	Development of glass fiber-free (no TOF) cut-resistant fabric	Completed initial development and provided testing for customers.
	Development of functional bio-sponges BIO-35 sponges	Development completed and USDA certified, and customer orders obtained.
	100% bio-based main gel sponge development	Completed development and provided testing for customers.
	Vulcanized Shoe Bio-Sponge BIO-9010	Completed development and customer orders obtained.
	Graphene Germanium Energy Socks	Completed development. Under mass production.
	Graphene Energy Functional Pillow, AI Positioning Functional Pillow	Completed development. Under mass production.
	Graphene 3D Cooling Sensation Mat	Completed development. Under mass production.
	Graphene Cooling Energy Quilt	Completed development. Under mass production.
	Graphene Snow Velvet Cotton Bath Towel & Hair Drying Set	Completed development. Under mass production.
	Power Supply for Sports Equipment (External Type)	Completed development. Under mass production test.
	Power Tools (Open Frame Type)	Completed development. Under mass production.
	High-End LCD Monitor External Power Supply	Completed development. Under mass production.
	Household Electric Water Heater Leakage Circuit Breaker	ODM, has already entered the sample submission stage.

(4). Long-, short-term business development plan

A. Short-term business development plan

a Textile Composites

■ Hook loop and functional tapes, Functional protective textiles and products

Actively expanding market share in the safety protection market, outdoor sports and leisure market, and medical and care market, while deepening interaction with key customers. The company combines market trends with the specific needs of brand customers for development, to secure a leading

position in the market. Simultaneously, strengthening the real-time feedback system between business units, accelerating the flow of information, reducing customer waiting time, and closely cooperating with customers on a mutually beneficial and trustworthy basis to achieve mutual growth.

■ Polymeric elastomer foam composite materials, Functional membrane and composite materials

Actively developing in the direction of market development, researching bio-based and recycled materials, combining relevant certifications (Bluesign, OEKO-TEX class 1, GRS, etc.), patents, and collaborating with brand-name suppliers (including well-known raw material suppliers), to expand market share in the safety protection market, outdoor sports and leisure market, and medical and care market, while deepening existing customer relationships.

For brand customers, providing comprehensive services from four production bases in Taiwan, Ka Shing, Dongguan in China, and Vietnam, offering various levels of bio-based and recycled materials, allowing brand customers to choose more environmentally friendly and sustainable materials without affecting profits, and even helping them create greater profits; meanwhile, striving for more cooperation opportunities.

b Chemical Product

- (a) We endeavor in the domestic market of Mainland China and reinforce the development in specific markets, e.g., South East Asia and South Asia (Bangladesh, Sri Lanka), emerging markets, etc.
- (b) We reinforce natural and environmentally friendly products to open up opportunities in the market.
- (c) Leverage existing customer relationships to support their southbound expansion, thereby increasing the company's export markets.
- (d) We expand business level via brand agents and supplier associations and develop customer brands.

c Electronic Product

- (a) We participate in professional forums and exhibitions and conduct heterogeneous development via information provided by TAITRA, in order to expand business level.
- (b) We associate strategically with Mainland Chinese power plants and integrate resources against low-priced market or varying product specifications.
- (c) We reinforce cooperation with suppliers and contractors and seek strategic partners. We cooperate on the development of products and reduce development costs of products and inventory, to improve product competitiveness.

(d) We analyze current customers and target potential customers for deepening relations.

(e) We seek new product lines and develop via cross-industry alliance.

B. Long-term business development plan

a Continuous innovation in the development of textile composites: Actively developing sustainable products with new functions and entering new markets, developing high-value-added products, and increasing product profitability.

b Establishing a global sales network: Seeking appropriate agents or distributors according to market potential, and utilizing AI to optimize online marketing and traffic tools, increasing international visibility. Apart from building a professional image, this also enhances exposure on search engines like Google, increasing potential customer visits and understanding opportunities.

c Continuing to participate in international exhibitions: Strengthening brand promotion by participating in major international exhibitions (e.g., DEMA Dive Show in the USA, Foam Expo in the USA), increasing international visibility, attracting media attention and coverage through interactive experiences at the events, and participating in relevant professional forums and exhibitions.

d Expanding overseas production bases: Primarily developing in Southeast Asia, expanding into the ASEAN region including Vietnam, India, Indonesia, and Thailand, and gradually expanding to the Middle East, Eastern Europe, and Africa.

e Establishing sustainable supply chain relationships: Optimizing brand image and market cultivation, finding reliable suppliers and international renowned manufacturers, forming alliances to develop new products or becoming their OEM factories, establishing cooperative partnerships together.

f Continuing to promote sustainability: Continuously promoting the company's sustainable development goals, promoting energy conservation and environmental protection, optimizing employee benefits, actively participating in social welfare activities, and responding promptly to social issues of concern to enhance the company's good corporate image and credibility.

2. Market and product & sales

(1). Market analysis

A. Analysis of available sales regions of product and service by company

Unit: NT\$ thousands

Region \ Year	2023		2024	
	Sales	Ratio	Sales	Ratio
Taiwan	579,533	24.03%	669,431	25.08%
Asia	1,057,617	43.85%	1,246,279	46.69%
America	413,679	17.15%	415,618	15.57%
Europe	251,701	10.44%	219,261	8.22%
Other	109,268	4.53%	118,492	4.44%
Total	2,411,798	100.00%	2,669,081	100.00%

B. Market share and supply and demand of market in future and margin

Market share

a Textile Composites

■ Hook loop and functional tapes, Functional protective textiles and products

Currently the major sale location is focused on Taiwan and Mainland China. There is still room for growth in the US and Europe markets. We are expanding our global business. However, due to the current global situation and the Covid-19 pandemic, progress has been slow. To enhance the visibility of existing brands in the market, we enhance the exposure of the existing brand in the current market. We associate with brands and customers strategically. Sales shall improve their competence and enhance the knowledge of different materials, reflect customers' requirements in a timely manner and advise customers properly. We shorten the R&D and production schedule of products, facilitate the efficiency of product development, and thus achieve customer satisfaction. We integrate the material supply chain with materials from affiliates and other supply chains. We strive for OEM, ODM cooperation with brands.

■ Polymeric elastomer foam composite materials, Functional membrane and composite materials

We expanded to other markets outside Asia. We are developing the existing domestic market and Mainland Chinese market. We are establishing strong roots in Taiwan, with our foot in the World. Regarding the global supply chain layout, the company adopts a "China+1" strategy. While maintaining operations in the Chinese market, it diversifies its presence by expanding to other countries to reduce reliance on a single market and supply chain. This

approach aims to enhance operational flexibility, lower risks, and ensure the company's competitive advantage and sustainable development in the global market.

We improve our brand's image and reputation, develop the overseas market, seek cooperation with global brands. We concentrate on tracking the current developing projects of flagship brand customers and discuss the information sources with customers or use it; we strive to understand and forecast future market trends. We promote to target customers. We analyze the product requirements of our key customers whose turnover has a significant increase. We integrate the supply chain and facilitate a customised production development.

b Chemical Product

The current sales region focuses on Taiwan and Mainland China. Overseas direct customers have growth potential and should be actively expanded. The company is currently evaluating the feasibility of establishing sales offices or assigning overseas sales representatives in Vietnam and Indonesia, while targeting the South Asia and Middle East regions for developing distributor and agent partnerships.

The company introduces OEM, an access to brands, production plants, facilitated by stronger relations with brands via acquisition of product agents and distribution rights, so that products can be introduced then for orders. The mode allows quick contact with customers and expand customer service coverage.

To increase the visibility and awareness of our own product brand, the company actively expands sales of our branded products through existing customers who act as product agents, aiming to boost revenue and profits.

c Electronic Product

The sales region focuses on US and Europe (appr. 40%) accompanying Asia (Japan and Taiwan appr. 38%). We are endeavoring in US and Europe, Japan, and Taiwan markets and enhancing development in Brazil and other emerging markets.

Future supply and demand of the market

a Textile Composites

■ Hook loop and functional tapes, Functional protective textiles and products

We implement functional application and sustainability and environmental-friendliness; we increase our exposure via trade fairs or exhibitions. We respond and handle customer's orders promptly, utilize precision marketing to accurately identify and concentrate resources on the core customer segment. utilize precision marketing to accurately identify and concentrate resources on

the core customer segment. Continue to strengthen the mobility and professional capabilities of sales personnel, establish strong customer relationships through high-quality service, and cultivate the market and clients with a proactive and responsible attitude to maintain solid partnerships.

■ Polymeric elastomer foam composite materials, Functional membrane and composite materials

We lack experience in customer development in India/Vietnam/Japan and other foreign markets. We develop qualified agents and traders and evaluate their willingness for cooperation and business ideas and suitability. We visit downstream distributors or end customers to understand the competence and evaluation of different distributors. We enhance development of upstream materials and suitability with the downstream market.

b Chemical Product

Polymer products and special chemical products have been a severe red sea market for the longest time. The competition has not eased despite loads of customers downstream relocating overseas, while the competition relocated overseas. The output value will still grow, while customers downstream transfer to technical areas from the old industry. Non-toxic products replace products with highly toxic substances so that competitiveness is enhanced in the industry.

The concept of creating non-toxic products is gaining awareness. Even Mainland China - the major market is moving towards development of energy saving and carbon reduction and environmentally-friendly products. Non-toxic environmentally friendly products will be the mainstream market. The company has been developing this category. Aside from going with the trend, we are allowing ourselves to transform into a green production company.

c Electronic Product

Due to the diversification of electronics in future, the overall market will have an increase in demand, and overall it will be of diversification with limited quantity. Companies with sufficient research and development resources and timely reaction will for sure create more opportunities and margin; the company constantly invests in the development of new products. Diversification of products increases. In response to international trends and rapid industrial change, the company evaluates every process of investment in new products, as the key to success is to screen properly the market and customers.

C. Pros and cons of niche competition and development vision and response

Niche competition

a Textile Composites

■ Global Digital Marketing Layout

Since 2020, our company has actively utilized the advantages of our core and differentiated products to construct comprehensive content. Overcoming constraints of manpower and time, we have initiated global digital marketing tools, successfully attracting proactive inquiries from clients. In 2024, our digital marketing activities expanded globally, accumulating an increase of 6,29 customer inquiries since implementation and bringing in growth of over 554 new customers through online transactions. This demonstrates the significance of digital marketing to our business. In recent years, through continuous adjustment and optimization of content, we have deepened our focus on customer needs, optimized product marketing keywords, and improved graphic and textual content to expand global development opportunities.

■ Innovative Research and Development of Differentiated Textile Composite Materials

The Eco-Family series marks an important milestone in the company's sustainable material development. This product line encompasses various eco-friendly solutions, based on five core technologies: recycled materials, bio-based materials, solvent-free or water-based processes, biodegradable materials, and carbon capture utilization (CCU). We are committed to creating high-tech textiles and composite polymer materials using sustainable recycled materials (Eco-Family series), lightweight materials, and intelligent composite materials. In addition to collaborating with long-term supply chains, we actively explore new sustainable suppliers to gain competitive advantages in new raw materials. By combining diverse innovative and processing technologies, we provide highly customized materials and finished product services, creating a one-stop shopping experience. In recent years, our efforts in developing environmentally friendly materials have gained recognition from brand customers, gradually increasing order volume and deepening cooperation relationships with brand customers, which has become our competitive advantage.

b Chemical Product

- (a) We will promote self-owned brand and OEM co-exists. We integrate technical core, customize products with special specifications. We plan our market strategy for OEM opportunities to increase business power.
- (b) We master our product techniques and associate with suppliers upstream.

- (c) Positioning ourselves as a "Solution Provider," we not only supply chemicals but also enhance technical support and after-sales service, actively assisting customers and creating value for their needs.

c Electronic Product

- (a) We integrate techniques and profession in the market of specific applications with fast and complete service and new competitive products. We are increasing market share as well as the gross margin of our products.
- (b) We increase service and components agent so that it will deepen our customer relations, e.g., we offer customized magnetic and hardware components, apply for safety certificates for our customers, provide product testing, etc.

Advantages

a Textile Composites

■ Increasing Demand in the Medical and Healthcare Markets

Affected by international conflicts, demand for medical industry-related consumables has increased, contributing to the growth in sales of hook and loop fasteners and various functional woven tapes. In the future, we will maintain excellent quality to meet the high specifications of the medical industry. We will also strengthen cooperation with partner factories to enhance service capabilities in the later stages of processing, allowing customers to experience the convenience of one-stop shopping and deepen customer loyalty.

■ Providing Diverse Composite Textile Materials

Committed to the innovation of diversified and environmentally friendly textile composite materials, including hook and loop fasteners and various functional woven tapes, special textile protective products and materials, polymer elastomer foamed composite materials, functional films, and composite materials. With various processing techniques, we can meet the special needs of customers across industries and domains.

Regardless of the development of biomass materials or recycled materials, our achievements have been validated through various certifications (such as USDA Bio-Based Product Label, Oeko-Tex Standard 100 certification, Bluesign certification, UL certification, FSC Forest Management Committee verification, Sustainable Apparel Coalition (SAC) Higg FEM Plant Environmental Management and FLSM Social Labor Verification), our capabilities and product reliability have continuously improved, leading to an increasing proportion of orders from foreign brand customers.

b Chemical Product

- (a) Environmental friendliness is a universal value. Promotion of non-toxic products and environmentally-friendly policy boosts the demand of business clients for the category.
- (b) Long-term development in the market and sound relations with important customers allows a foot in the door.
- (c) We master cost-effective and core technical competence and productivity.
- (d) We have an experienced business team with stable financial structure, business competency and profitability.

c Electronic Product

In response to compilation of information safety standard (IEC60950-1) and video safety standard (IEC60065-1), the new video and information communication standard (IEC62368-3), we applied for the safety standard at an early time. We were facing completion among the same players in the industry. The company consists of an experienced team and can respond to customer requirements in a timely manner.

The products of the company will associate with cross-industry players and build different product lines with flexible lead time. We can negotiate material inventory with customers. It will be advantageous for an unstable market with a short-lead time.

Disadvantages

a Textile Composites

- (a) Increase in Personnel Costs: Faced with the annual rise in minimum wages and inflation, coupled with a growing awareness of labor rights and human rights protection, the company's personnel costs have increased.
- (b) Volatility in Raw Material Prices: Fluctuations in raw material prices are driven by international conflicts and climate change-induced imbalances in supply and demand. These fluctuations significantly impact customer order demands and the company's profitability.
- (c) Geopolitical Risks: The unpredictable nature of international geopolitical dynamics necessitates continuous enhancement of operational capabilities across diverse locations to mitigate the impact of geopolitical risks.

b Chemical Product

- (a) The employee turnover rate is high. It hampers the technique development and industrial competitive.
- (b) Environmental concerns emerge. Environmental standard is getting strict and hampers certain production aspects.
- (c) Raw material prices are controlled by international manufacturers and

hampers cost control.

c Electronic Product

Big brands dominate customers and product market with abundant resources and scale; meanwhile, the thriving Mainland Chinese plants causes severe price competition. Mainland China has abundant resources and capital. It brings overwhelming competition.

Response

a Textile Composites

(a) Coping with annual increases in personnel costs

- Maximize order efficiency through automated systems.
- Gradually introduce self-operated equipment to improve production quality and reduce labor costs.
- Enhance employee skills and efficiency through On-the-Job Training (OJT) to utilize human resources more effectively.

(b) Strategies for coping with large fluctuations in raw material prices

- Continuously monitor trends in raw material prices and adjust procurement strategies based on demand forecasts to optimize purchasing.
- Strengthen cooperation and communication with suppliers to stabilize the supply of raw materials.
- Develop new suppliers to reduce dependence on a single supplier and mitigate risks from fluctuations in raw material prices.

(c) Measures to address geopolitical risks

- Strengthen operations at the Vietnam plant to diversify risks and reduce dependence on a single region.
- Evaluate operational layouts in other Southeast Asian regions to find more stable operating environments to address the impact of geopolitical risks.

b Chemical Product

(a) Shorten the production process and simplify production items to reduce labor usage.

(b) We orient employees, increase remuneration and benefits, reduce work load, and create a quality work environment.

(c) We are replacing environmental-hampering solvent products with green non-toxic products. Meanwhile we optimise waste water treatment equipment and commission waste disposal to professional parties regularly.

(d) We develop high added value products and reduce material cost.

c Electronic Product

We concentrate our limited resources and elevate component integration and integrate supply chain. We enhance contact with important customers and

overall service quality and level. We respond to customer requirements in a timely manner. We are certified before our competitors in terms of our products. We are improving product quality and developing new market share and new products.

(2). Main purpose and production process of major products

a Textile Composites

■ Hook loop and functional tapes

Divided into standard and special functional hook and loop fasteners, plastic injection hooks, napping fabrics, and knitted tape series, etc. We are working on product diversification. It can apply to tags, loafer fasteners and package. The production is via weaving machine that weaves rough belts, and then it will be carved for hook and be an end product.

■ Functional protective textiles and products

Other than general textiles, it is highly resistant, elastic, tough, and compatible fabric with other functions. It protects the weak body part under adverse conditions. Suitable for various types of protective clothing and supplies with functions such as puncture resistance, cut resistance, abrasion resistance, and fire resistance. The production method involves using functional yarns to weave functional fabrics, which are then used in special areas requiring protection.

■ Polymeric elastomer foam composite materials

Foam is enclosed. Different rubbers can be applied depending on requirements (e.g., chloroprene rubber, styrene-butadiene rubber, EVA, etc.). The products are water-proof, thermal-insulating, and buffer, suitable for wetsuits, surfing suits, swimsuits, sweat suits, medical protective gear, insoles, sports gear, bags, etc. The production of foaming sponge is via combination of foaming resin, foam aide, and adhesive resin (adhesive to end product).

■ Functional membrane and composite materials

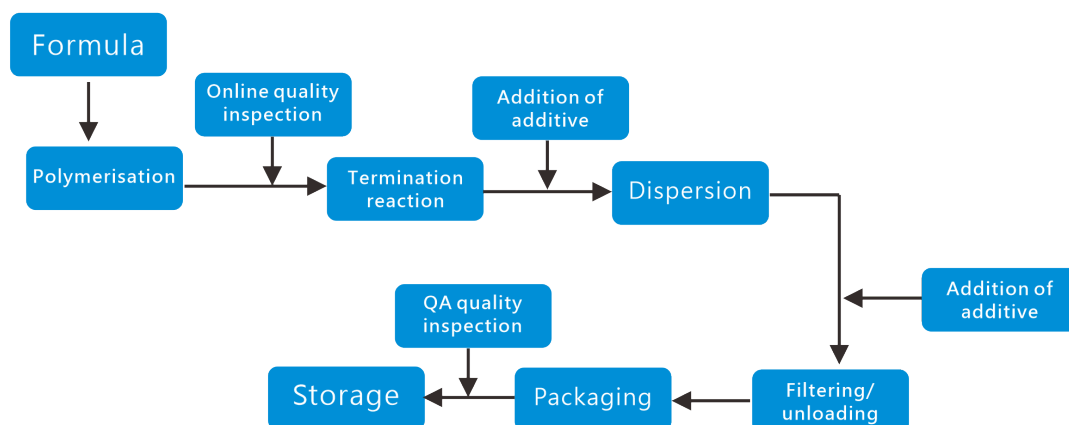
Polymer films, thermoplastics, TPU films, TPEE films, micro-porous films are wind-proof, water-proof, moisture permeable and environmental friendly, suitable for wind jackets, raincoats, jackets, car cover, sleeping bags, etc. The production is via heating plastic particles then coating or blowing in order to get film products.

b Chemical Product

(a) Polymer products supply synthetic leather, split leather, genuine leather, textile, and shoes, and other industrial use, etc.

(b) Special chemical supply mainly for garment textile, shoe materials, cotton

filling, furniture and bed, medical cloth and rubber plastic foaming and injection, and other industrial use, etc.



c Electronic Product

The main purpose of power supply is power conversion. It can be categorised into 1. AC to AC 2. AC to DC 3. DC to AC 4. DC to DC; the company products include all types of conversion, mainly AC to DC. Its installation is attached or embedded, attached; attachment can be wall or desk insertion, replaceable AC plugs; embedding can be shell or open, then be categorised into ten groups based on details and use.

The main production process is via mounting chip resistor and component, plug-in of general electronics, soldering, product test and package phase.

(3). Supply condition of main materials

The company's main raw materials include chloroprene rubber, yarn, fabric, rough matte belts, flame-retardant fibers, and plastic pellets. All key suppliers are long-term partners, and the company maintains stable and strong cooperative relationships with them.

(4). Customers with a gross sale over ten percent and their sales and ratio in either year of the past two years.

A. Major suppliers for the past two years

Unit: NT\$ thousands

	2023				2024				2025 as of previous quarter			
No.	Item	Amount	Ratio of net purchases in the whole year (%)	Relationship with Issuer	Item	Amount	Ratio of net purchases in the whole year (%)	Relationship with Issuer	Item	Amount	Ratio of net purchases in the whole year (%)	Relationship with Issuer
1	-	-	-		-	-	-		-	-	-	
	Other	1,171,881	100.00		Other	1,425,382	100.00		Other	312,274	100.00	
	Net purchase	1,171,881	100.00		Net purchase	1,425,382	100.00		Net purchase	312,274	100.00	

Explanation of increase and decrease: The purchase ratio of each supplier in the last two years of our company was less than 10%, which shows that our company has good cooperation with major suppliers, the source of supply is stable, and there is no purchase concentration.

B. Major customers for the past two years

Unit: NT\$ thousands

	2023				2024				2025 as of previous quarter			
No.	Item	Amount	Ratio of net sales in the whole year (%)	Relationship with Issuer	Item	Amount	Ratio of net sales in the whole year (%)	Relationship with Issuer	Item	Amount	Ratio of net sales in the whole year (%)	Relationship with Issuer
1	Company A	255,397	10.59	None	Company A	269,789	10.11	None	-	-	-	
	Other	2,156,401	89.41		Other	2,399,292	89.89		Other	600,072	100.00	
	Net sales	2,411,798	100.00		Net sales	2,669,081	100.00		Net sales	600,072	100.00	

Explanation of increase and decrease: In the past two years, there is only one customer that accounts for more than 10% of the company's sales, and the proportion of net sales has not changed much. In addition, customers with sales below 10% account for about 80% to 90%, indicating that the company maintains a stable cooperative relationship with its major customers and there is no sales concentration.

3. Employee information by past two years and end of March 31, 2025

Year		2023	2024	As of March 31, 2025
Number of Employees	Direct labor	329	330	331
	Indirect and management sales staff	428	419	417
	Total	757	749	748
Average age		41.95	42.08	42.08
Average service term		10.88	10.83	11.00
Highest Degree	PhD	0.40%	0.40%	0.40%
	Master's	6.47%	6.14%	6.02%
	Bachelor's	41.35%	41.66%	42.25%
	High School (including) and below	51.78%	51.80%	51.33%

4. Environmental cost

- (1). Environmental damage (including indemnity and environmental protection inspection of violations to environmental law. Specify disposition date, disposition reference number, violated articles, violated content, disposition details) by recent year end and closure of annual report shall be disclosed:

No.	Date of disposition	Disposition reference	Violation concerned	Disposition
1	December 16, 2024	Occupational permit ref. 1130034573	Fire Services Act – Art. 15	NT\$80,000 fine
	Violation concerned: The location, structure, equipment, signage, and safety management of the place where the public hazardous substances are stored in controlled quantities do not comply with the "Standards for Establishing Places for Manufacturing, Storing, Processing Public Hazardous Substances and Flammable Pressurized Gases, and Regulations on Safety Control of such Places".			

- (2). Current and potential loss and response. Shall it fail to be reckoned, it shall be justified by fact: None.

5. Labor relations

(1). Employee benefits, development, training, pension, and its implementation, and Labor agreement and employee protection:

A. Employee benefits, development, training:

a Benefits: includes labor insurance, universal health insurance, company accident insurance, holiday bonus, wedding/funeral subsidy, birthday coupon, birth subsidy, child scholarship, association activities and subsidy, department eat-out, annual employee health check, year end banquet and lantern festival lottery, employee travel, meal cheques, employee discounts, liaised shops.

b Employee benefit remuneration committee: The company established the Employee Remuneration Committee that looks after employees' welfare, facilitate wellbeing, and maintain labor relations as main purpose. Employees elect members for the said committee who organise and execute employee benefit plans with reference to company advice. Labor relations are strengthened hence and employees are oriented.

c On-the-job training: onboard training is provided to new employees. Employees during service will be trained based on one's function, self-conducted or commissioned professional and management training. Complete training system will improve the profession and competency of employees.

Training details for 2024

Training	Sessions	Number of Participants	Total hours	Total expenses (NT\$)
1. Onboard	38	170	516	-
2. Profession and competency	184	1,269	3,896	320,104
3. Leadership	21	172	860	76,798
4. General education	40	535	1,174	122,406
Total	283	2,146	6,446	519,308

Training details of managers for 2024

Title	Name	Date Elected	Term of training		Organiser	Session	Hour(s) of training
			Start	End			
General Manager	Chang, Shun-Ching	June 1, 2019	November 28, 2024	November 28, 2024	Taiwan Corporate Governance Association	Practical Performance evaluation of Corporate ESG Sustainability and Risk Management	3
			November 28, 2024	November 28, 2024	Taiwan Corporate Governance Association	Talent Development for Sustainable Business Operations	3

Title	Name	Date Elected	Term of training		Organiser	Session	Hour(s) of training
			Start	End			
Vice General Manager of Finance & Chief Financial OfficerChief	Pai, Ching- Jen	December 31, 2020	November 28, 2024	November 28, 2024	Taiwan Corporate Governance Association	Practical Performance evaluation of Corporate ESG Sustainability and Risk Management	3
			November 28, 2024	November 28, 2024	Taiwan Corporate Governance Association	Talent Development for Sustainable Business Operations	3
Accounting Manager / Corporate Governance Officer	Su, Meng- Hsu	Aug. 16, 2016	April 15, 2024	April 15, 2024	Accounting Research and Development Foundation	Internal Audit and Internal Control Practices for Corporate Employee Compensation and Reward Systems	6
			September 10, 2024	September 10, 2024	Taipei Exchange	Insider Equity Publicity Briefing For Emerging Companies	3
			October 7, 2024	October 7, 2024	Accounting Research and Development Foundation	Practical Analysis of Internal Control Management for Corporate Greenhouse Gas Inventory	6
			November 28, 2024	November 28, 2024	Taiwan Corporate Governance Association	Practical Performance evaluation of Corporate ESG Sustainability and Risk Management	3
			November 28, 2024	November 28, 2024	Taiwan Corporate Governance Association	Talent Development for Sustainable Business Operations	3
			December 5, 2024	December 6, 2024	Accounting Research and Development Foundation	Accounting Manager Training At Issuer Securities Issuer	12
			December 17, 2024	December 17, 2024	Taiwan Corporate Governance Association	Design of Executive Compensation and ESG Performance Systems	3

d Employee training subsidy: the company encourages constant development and training for employees. Besides annual planning of employee training, commissioned training from business requirements will be covered or partially reimbursed by the company. Should employees study and apply for part-time universities, it will be awarded or reimbursed.

B. Pension and implementation

The pension of the company and subsidiaries is subject to former and current pension act. Pension is allocated per month by law to the personal pension account of the Bureau of Labor Insurance and account of Supervisory Committee of Business Entities' Labor Retirement Reserve.

C. Labor agreement and maintenance of employee benefits

- a Labor conference: there is a regular labor conference every three months. Labor and company representative discuss and communicate issues for agreement and implementation.
- b Q&A and appeal: the company pays attention to employees' Q&A. Employees may express themselves towards direct manager or General Manager vis-à-vis or via written form to a designated letter box. It allows communication and advice exchange between Labor and the company.
- c Protection of employee benefits: our employee benefits are implemented pursuant to the Labor act and regulations. We offer, in addition, comprehensive and complete health care and assistance for coworkers, e.g., locale nursery, health check, company insurance and first-aid assistance, etc.

(2). Specify date, reference, violated rules, violation of disposition and disposition details from loss of Labor disputes in recent year and by closure date of report issue:

No.	Date of disposition	Disposition reference	Violation concerned	Disposition
1	February 5, 2025	Occupational permit ref. 1140250407	Occupational Safety and Health Facilities Regulations - Article 126 & Occupational Safety and Health Act - Article 6, Para. 1	NT\$100,000 fine
			<u>Violation concerned:</u>	
			The employer failed to assign personnel who had received special work safety and health education and training to operate a forklift with a load capacity of more than 1 ton.	
2	March 19, 2025	Occupational permit ref. 1140251148	Occupational Safety and Health Facilities Regulations – Art. 57, Para. 1; Article 243, Para. 1, Subpara. 1 & Occupational Safety and Health Act – Art. 6, Para. 1	NT\$110,000 fine
			<u>Violation concerned:</u>	
			The employer failed to stop the operation and feeding of machinery, equipment, or related components during cleaning, lubrication, inspection, repair, or adjustment processes, despite the potential risk of harm to workers. The employer failed to install ground-fault circuit interrupters (GFCIs) with appropriate specifications, high sensitivity, and fast response on electrical circuits of portable or mobile electric equipment with a voltage to ground exceeding 150 volts, thereby neglecting to prevent electric shock hazards.	

(3). Current and potential estimation of cost and response measures. Shall estimation fail, please justify by fact: N/A.

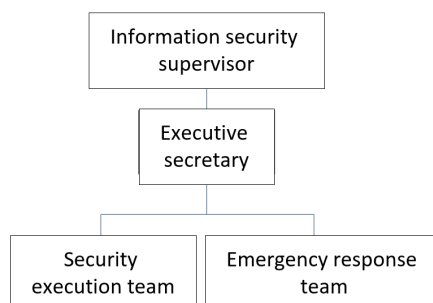
6. Cyber security management

(1). Information on cyber risk management structure, information security policy, concrete management plan and resources for information security management.

A. Information security risk management structure

a In order to reinforce cyber security management, data security, system and internet security, reduction of cyber risks, we established a cyber security implementation team and facilitate cyber security audit internally and externally regularly by the company.

b Cyber security team: One cyber security supervisor and one executive secretary, including security execution team, emergency response team.



B. Cyber security policy:

The cyber security policy was promulgated so that it allows the cyber security management to be implemented, function, be supervised and managed, prevail, thus the confidentiality, integrity, and availability of the information system by the company will be ensured. It serves as a guideline for employees and ensures the right of the entire employees. We anticipate the entire employees understand, implement, and maintain the business targets of the company.

a Improvement of cyber security, management of security

We supervise entire staff to implement cyber security. No one is left behind from cyber security. We inform cyber security per year to improve cyber security awareness. Shall there be violation to cyber security, the violator will be disciplined pursuant to disciplinary rules.

b Complementing cyber protection. Ensuring operation to prevail.

Everyone in the company implements the cyber security system, in order to protect information and asset from improper management of outer and inner personnel that risks leaks, damage, or loss. Proper cyber security measures are selected to reduce risks to an acceptable level for constant supervision, review, and audit of the ISMS system. It ensures operation to prevail and suitability is achieved.

C. Management details and invested cyber security resources

The invested cyber information management includes that of the current year by the company includes:

- a The company continues to operate in accordance with the ISO 27001 Information Security Management System (ISMS) standards and initiated the upgrade to ISO 27001:2022 version starting from March 2025. This upgrade strengthens information security resilience and the ability to respond to emerging threats, which helps enhance the overall effectiveness of information security management. Through this revision, we will further optimize our security management mechanisms, keep pace with evolving information protection measures, ensure operational continuity and compliance, and expect to pass the third-party certification audit and obtain the new certification by the end of May 2025.
- b The company regularly holds malicious email social engineering drills every year and strengthens information security education and training for high-risk personnel, enhance employees' ability to recognize cyberattack methods and increase their crisis awareness. Through continuous cybersecurity awareness campaigns, strengthen information security consciousness across all units to reduce potential threats and ensure corporate information security.
- c The new Wanghang plant adopts a modern and easy-to-manage network architecture to ensure stable and efficient communication quality. At the same time, visualized and automated cybersecurity management equipment is introduced to enhance the traceability of network management and cybersecurity protection capabilities, strengthening defenses against external malicious attacks and ensuring enterprise network security.
- d The UOF system has been equipped with SSL certificates to enhance website security. Through encrypted transmission, it fully protects data integrity, prevents eavesdropping and tampering, increases user trust, reduces phishing risks, complies with cybersecurity regulations, and improves overall cybersecurity defense capabilities.

(2). Specify loss, potential effects and measures from material information security events from the recent year end and closure date of annual report; shall estimation fail, please justify by fact: N/A.

7. Important contracts:

Type of contract	Creditor	Term of contract	Details	Limitation
Credit	Land Bank of Taiwan Co., Ltd.	September 29, 2020 - September 28, 2025	Syndicated Loan	Maintain certain financial ratios
Credit	Land Bank of Taiwan Co., Ltd.	May. 26, 2025 - May. 25, 2030	Syndicated Loan	Maintain certain financial ratios

V. Review of Financial Conditions, Financial Performance, and Risk Management

1. Financial status

Unit: NT\$ thousands

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	1,788,618	1,678,789	109,829	6.54
Property, plant, equipment	911,602	951,614	(40,012)	(4.20)
Other assets	842,189	795,315	46,874	5.89
Total Asset	3,542,409	3,425,718	116,691	3.41
Current liabilities	867,410	777,820	89,590	11.52
Other liabilities	850,741	983,769	(133,028)	(13.52)
Total liabilities	1,718,151	1,761,589	(43,438)	(2.47)
Share capital	1,224,032	1,223,923	109	0.01
Legal reserve	100,784	100,683	101	0.10
Retained earnings	290,591	183,438	107,153	58.41
Other equity	208,851	156,085	52,766	33.81
Non-controlling equity	-	-	-	-
Total Stockholders' Equity	1,824,258	1,664,129	160,129	9.62

The main reasons for and impact of major changes in assets, liabilities and equity in the most recent two years. If the impact is significant, the future response plan should be explained:

Analysis and explanation of variations exceeding 20%:

1. Retained earnings increase: due to increase in profit for the year.
2. Other equity increase: due to increase in unrealized valuation gain/(loss) on financial assets at fair value through other comprehensive income and exchange differences on translation of the financial statements of foreign operation for the year.

Future response plans for significant impacts:

The aforementioned changes do not have any significant adverse impact on the Company. As the overall performance of the Company remains stable without any material abnormalities, no specific response plan is deemed necessary.

2. Business performance

Unit: NT\$ thousands

Item \ Year	2024	2023	Difference	
			Amount	%
Operating revenue	2,669,081	2,411,798	257,283	10.67
Operating cost	1,931,002	1,806,711	124,291	6.88
Gross profit	738,079	605,087	132,992	21.98
Profit from operations	144,635	18,964	125,671	662.68
Non-operating income and expenses	49,757	21,203	28,554	134.67
Operating income	137,751	12,546	125,205	997.97
Discontinued income (Loss)	-	-	-	-
Net profit for the year	137,751	12,546	125,205	997.97
Other comprehensive income (income after tax)	52,766	48,922	3,844	7.86
Total comprehensive income	190,517	61,468	129,049	209.95
Net income attributable to shareholders of the parent	137,751	12,546	125,205	997.97
Net income attributable to non-controlling equity	-	-	-	-
Comprehensive income attributable to Shareholders of the parent	190,517	61,468	129,049	209.95
Comprehensive income attributable to non-controlling equity	-	-	-	-

The major reasons for significant changes in operating revenue, operating income, and profit before tax over the past two fiscal years, as well as the projected sales volume and its basis, and the possible impact on the Company's future financial and business operations, along with response plans:

Analysis and explanation of variations exceeding 20%:

1. Gross profit / Profit from operations / Operating income / Net profit for the year increase: due to increase in orders.
2. Non-operating income and expenses increase: due to increase in income of foreign currency exchange.
3. Total comprehensive income increase: due to increase in unrealized valuation gain/(loss) on financial assets at income and exchange rate converted from financial statement of foreign operating institutes.

Future response plans for significant impacts:

The aforementioned changes do not have any significant adverse impact on the Company. As the overall performance of the Company remains stable without any material abnormalities, no specific response plan is deemed necessary.

Expected sales volume and basis:

Based on forecasts of industry conditions and market demand.

3. Cash flow

(1). Cash flow alteration analysis

Unit: NT\$ thousands

Item	2024	2023	Difference		
			Amount	%	Explanation
Operating activities	211,522	218,082	(6,560)	(3.01)	-
Investing activities	377	(185,254)	185,631	(100.20)	Due to the acquisition of financial assets measured at amortized cost in 2023.
Financing activities	(211,905)	27,823	(239,728)	(861.62)	Due to the repayment of long-term borrowings in 2024.
Effect of exchange rate changes	19,794	(9,784)	29,578	(302.31)	Due to exchange rate flow.
Net cash flow	19,788	50,867	(31,079)	(61.10)	

(2). Improvement plan for insufficient liquidity: N/A.

(3). Cash flow analysis for the coming year

Unit: NT\$ thousands

Estimated cash and cash equivalents, beginning of year	Estimated net cash flow from operating activities	Estimated cash outflow (inflow)	Cash surplus (deficit)	Leverage of cash surplus (deficit)	
1	2	3	1+2+3	Investment plans	Financing plans
801,397	271,345	(262,501)	810,241	-	-

Analysis of cash flow changes:

1. Operating activities: Net cash inflows from operating activities are expected, mainly attributable to profits generated from operations.
2. Investing activities: Net cash outflows from investing activities are expected, primarily due to capital expenditures such as asset acquisitions.
3. Financing activities: Net cash outflows from financing activities are expected, mainly for the payment of cash dividends and debt repayment.

Plan to improve liquidity shortage and cash flow analysis for the coming year:

The Company has no liquidity shortage.

4. Effects from recent annual material capital to finance: N/A.

5. Investment policy, earning or loss from recent year-cause, rectification, and investment plan for coming year

Amid the world's trend and government policy, the company's re-investment strategy targets green energy and visionary technical products. We are based in Taiwan and developing in Asia-Pacific, eyeing the global market, in order to create margin and profit.

The company currently invests are listed as follows:

JIAXING NANXIONG POLYMER CO., LTD.

Mainly produces and sells waterproof and breathable membrane products, protective materials and applications, home textiles, bedding materials and finished product processing, combined with a well-established local supply chain partnership to meet customers' specific needs. In the future, the company aims to apply membrane materials in the medical and automotive markets, and protective materials in the industrial market, actively expanding internationally to increase market share.

DONG GUAN NAMLIONG RUBBER MANUFACTURES CO., LTD.

Mainly produces foam materials, special processing of foam materials, and OEM finished product processing. With its technical and production capabilities, the company strives to create differentiated products, including Eco-Family series products and industrial application materials, actively developing opportunities with brand customers and different markets to increase market share.

NAM LIONG ENTERPRISE CO., LTD. (VIET NAM)

Mainly produces foam material splitting and laminating processing, collaborating with local branded finished product OEM factories to expedite rapid delivery in response to brand customer demands. By improving product quality and stability, the company aims to gain more customer support, enhance market share, and move towards steady operations.

GREENCHEM INTERNATIONAL CO., LTD.

Business items of GREENCHEM INTERNATIONAL CO., LTD. focus on friendly antimicrobial agents, textile auxiliaries and polymer products, mainly applied to special textile products and leather. Its subsidiary GREENCHEM INTERNATIONAL SHANGHAI CO., LTD. mainly produces and sells antimicrobial agent, natural anti-mite agent, functional ceramic polymer masterbatches and long-acting silver ion antibacterial agent, other products, etc. Greechems will be more cautious and take steady operation and quality improvement as strategy for 2025, so that the market share of products will increase.

ELEMENTECH INTERNATIONAL CO., LTD.

ELEMENTECH INTERNATIONAL CO., LTD. focuses on convertible power supplies in the global market. It endeavours as a team in operation and innovation and development,

improve resource cost and customer service. Elementech's series all achieve up to efficiency grade 6 of IEA. It started investing in development of industrial spare power supply and domestic power storage (non-high power mobile energy storage machine). We are developing new generation energy act as a goal and energy-saving products.

SUZHOU GREATSUN ELECTRONICS & COMMUNICATIONS CO., LTD.

SUZHOU GREATSUN ELECTRONICS & COMMUNICATIONS CO., LTD. mainly operates production of power products. The company meets the quality requirements of ELEMENTECH's products. It is optimising process, controlling materials, and improving product line, and other measures, etc. It is elevating capacity and production efficiency. It is competitive and advantageous in the market.

The company respects life and cares for the environment as a core business value. It is reinforcing the development and sales at all products and seeks strategic partners all the way. It integrates highly-competitive industry chain. It is convinced that the business will improve with its team spirit.

6. Analysis and evaluation of risk items

(1). Interest rate, exchange rate change, inflation impact to company's income and future response measures:

The Group takes part in sales and purchases evaluated with foreign currency, thus the Group is likely to risk exchange rate crash. In order to avoid change in exchange rate that depreciates the foreign currency and cash flow, the Group offsets the risk of exchange rate flow with asset and liability in foreign currency. In 2024 and 2023, The Group has a 75.80% and 75.32% in sales counted in currency with which it is not traded by the group as its individual function.

The interest rate risks interest flow in the market, and the fair value flow of financial products or cash flow change. The Group is in possession of financial asset and financial liability of floating exchange rate, so that the cash flow risks exchange rate risk. The Group's management monitors the change in exchange rate of the market on a regular basis and adapts financial liability with flow rate, so that the interest rate of the Group approaches to the market rate and offsets the risk in change in exchange rate. The company does not trade financial products (including financial derivatives) with speculative purpose.

(2). Cause and future response plan for policy, earning or loss of highly-risky, high-leverage investment, capital loan and guarantee and derivatives trades

The company has not taken part in highly-risky, high-leverage investment, or derivatives trades in recent year or by end of closure state of annual report. The capital loan and guarantee endorsement was conducted capital loan procedure and endorsement

guarantee guideline. The regarding content is announced by regulatory of competent authority and disclosed in each financial report.

(3). Future R&D plan and R&D budget:

R&D product	R&D and mass production schedules	R&D estimation	Major factors that will impact the R&D in future
Development of green processed products	Under product development and trial production.Continue product expansion in 2025. New products developed in 2024 have successfully entered mass production and been launched.	R&D cost overall makes up of personnel charge and product development.	1. Continued development and trial production of environmentally friendly composite glue applications, increasing product variety. 2. Development and trial production of environmentally friendly yarns, gradually increasing product variety. 3. Increased series of green environmental sponges, continuing to develop new products.
WSR circular recycling (textile and polymer materials) and reused polymer composite project	Under product development and trial production. Continue product expansion in 2025.	R&D cost overall makes up of personnel charge and product development.	2.Development of TPU edge material recycling into new application materials, product development, and formulation trials. 2.Recycling waste from sponge foam and laminated products and developing new products.
Enhancing R&D of high flame-retardant aluminum-laminated protective materials	Under product development. New product development is expected to continue through the end of 2025.	R&D cost overall makes up of personnel charge and product development.	1.Independently develop high-protection products, with the goal of application in boilers and firefighting personnel. 2.Differentiate from low-end products and align with the high-end international market.
Functional/energy-enhancing innerwear	Under product development and trial	R&D cost overall makes up of	1.Innerwear products will be evaluated and proper and

R&D product	R&D and mass production schedules	R&D estimation	Major factors that will impact the R&D in future
(e.g., shirts, pants, socks), graphene + swiftlet nest protein bedding	production. Development complete by the end of 2025.	personnel charge and product development.	competitive materials will be opted in 2025 Q1 and will be launched in Q2. 2.Bedding products will be evaluated and proper and competitive materials will be opted in 2025Q1 and will be launched in Q3~Q4.
Developing new products for the circular economy using recycled marine waste materials	Trial production has been completed, with mass production planned for 2025, and continuous development of new product lines underway.	R&D cost overall makes up of personnel charge and product development.	Developing new products for the circular economy using recycled marine waste materials to increase product value and meet international brand environmental trends.
Solar Water Heaters Leakage Circuit Breaker (for residential use)	Investment in development from 2025Q1. Development will complete in 2025Q3.	R&D cost overall makes up of personnel charge and product development.	1.Component selection based on development speed. 2. Production capability with verified and stable quality.
Development of Power Supplies Meeting New Energy Efficiency Regulations (Level 7)	Investment in development from Development will complete in 2025Q4.	R&D cost overall makes up of personnel charge and product development.	1.Development efficiency. 2.Support customers in compatibility matching, troubleshooting, and integration capabilities.
Implementing a New Business Model of Power Solutions that Adds Value through Service	Investment in development from 2023Q2 Development will complete in 2025Q4.	R&D cost overall makes up of personnel charge and product development.	1.Project management skills. 2.Communication skills with customers throughout the development process.

(4). Impact and response plan for alteration in domestic and international legal policy

The company complies with relevant regulatory. We master change in important policy and law. Recent change of domestic and international policy and law has not hampered materially to business finance or business.

(5). Impact and response plan for technology change (including information security risk) and industrial change

Digitalisation is a future technical trend. The company elevates core technique as well as adjusts product combination, so that the company is competitive and overall operation performance is improved.

(6). Impact and response plan for corporate image change and risk management by corporate

The company endeavors to fulfill its corporate responsibilities, and no events occurred this year that would significantly impact the corporate image. We will continue to strengthen communication and coordination with major stakeholders and prevent crisis events in the future.

(7). Profit estimation, potential risk and response measures for merger: N/A.

(8). Profit estimation, potential risk and response measures for plant expansion:

Regarding the expansion of the Phase II new plant of the original Jiaying Nanxiong, but due to the uncertainty of local policies over the past two years, the anticipated investment development project has been delayed, affecting the original investment plan. Recently, the feasibility assessment of overseas factory expansion has been reassessed to meet future requirements for third-party supply chain demands.

(9). Risk and response measures to concentration of purchases or sales

A. Evaluation of risk in concentration of sales

The company's sales to the top 10 customers in 2024 and 2023 is 824,745 thousand and 767,855 thousand, which accounts for 30.90% and 31.84% in the annual income. The proportion to one single customer has not exceeded 10%. No risk in concentration of sales or purchase exists.

B. Evaluation of risk in concentration of purchase

The company's import from the top 10 customers in 2024 and 2023 is 31.32% and 23.55% in the annual income. The proportion to one single customer has not exceeded 10%. No risk in concentration of purchase exists.

(10). Impact, risk, and response measures of stock transfer, immense stock transfer, or change of directors, supervisors, or shareholders with a ratio over ten percent

The company has no directors or shareholders whose shareholding ratio exceeds ten percent and whose immense equity transfers or is replaced.

(11). Impact, risk, and response measures to change of franchise: N/A.

(12). litigation or non-litigation. Please specify the company and directors, supervisors, General Manager, substantial in-charge, shareholders of the company whose shareholding ratio exceeds ten percent and the resolved or un-resolved material litigation, non-litigation or administrative dispute of the belonging company whose resolution will impact shareholder's rights or securities price. Shall it be applicable, please disclose resolution details on the dispute, claim price, start date of litigation, major involved stakeholders in litigation hereof by end of closure date of annual report: N/A.

(13). Other important risks and response measures

Cyber risk evaluation and its response measures

- A. During this year's internal audit, it was identified that the periodic E-Mail permission checklist had omissions, which may lead to unauthorized access and information security risks. Regular audit follow-ups will be conducted, and training will be strengthened to ensure complete and compliant permission management.
- B. In addition to covering network and digital data threats, cybersecurity awareness should also emphasize the risk of physical data (paper) leakage to ensure comprehensive information security management.
- C. To ensure the stable operation of the company's critical business areas (such as operations, production and sales, R&D, and finance), we have established a high-availability (HA) system architecture and conduct at least one security drill annually. We will incorporate offsite backup mechanisms and regularly verify the effectiveness of restoration. Continuous optimization will be pursued to enhance operational stability.

7. Other important matters: N/A.

VI. Special Matters

1. Affiliated businesses: Consolidated Businesses Report by Affiliated Companies, Consolidated Financial Statement by Affiliated Companies and Affiliation Report for the most recent year.

Website: https://mopsov.twse.com.tw/mops/web/t57sb01_q10

2. Private equity securities by recent year and closure date of annual report: N/A.

3. Other mentionable matters: N/A.

4. Occurrence associated with Securities Exchange Act. Art. 36 Item 3 Paragraph 2, any event which has a material impact on shareholders' rights and interests or securities prices, by recent year and closure date of annual report: N/A.

Note to Readers

If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language version shall prevail.

NAM LIONG GLOBAL CORPORATION

Chairman: Shao, Ten-Po