Ticker Symbol: 2904

匯僑股份有限公司
Prime Oil Chemical Service Corp.

2024 Annual Report

Published on April 30, 2025

Filing website: https://sii.twse.com.tw/

Inquiry website: https://mops.twse.com.tw/

I. The Company's spokesperson and acting spokesperson.

Spokesperson	Acting spokesperson
Name: Liang, Shyh-Chuan	Name: Lee, Ming-Guen
Title: Vice President	Title: Vice President
TEL: (02)2717-4347 Ext. 618	TEL: (02)2717-4347 Ext. 618
E-mail: ir@pocs.com.tw	E-mail: ir@pocs.com.tw

II. Head office and Taichung tank terminals

Taipei head office 5F., No. 131, Sec. 3, Minsheng E. Rd. Songshan Dist., Taipei City	TEL: (02)2717-4347 FAX: (02)2718-9474
Taichung chemical tank terminal (West Wharf No. 2) No. 298, Sec. 3, Nanti Rd. Wuqi Dist., Taichung City	TEL: (04)2639-0992 FAX: (04)2639-0993
Taichung oil and chemical tank terminal (West Wharf No. 5) No. 295, Section 3, Nanti Road, Wuqi District, Taichung City	TEL: (04)2630-7375 FAX: (04)2630-7376

III. Name, address and telephone number of the institution handling the transfer of shares.

Name: President Securities Corporation, Stock Affairs Agency Department

Address: B1 Floor, No. 8 Dongxing Road, Taipei City

TEL: (02)2746-3797

Website: https://www.pscnet.com.tw/

IV. CPAs auditing the most recent annual financial statements.

CPA name: Huang, Pei-Chuan, Lin, Yung-Chih

CPA firm: PricewaterhouseCoopers Taiwan

Address: 27F., No. 333, Sec. 1, Keelung Rd. Xinyi Dist., Taipei City

TEL: (02)2729-6666

Website: https://www.pwc.tw/

V. The name of the exchanges where the securities are listed offshore and the inquiry method: None.

VI. Company website: https://www.pocs.com.tw

Table of contents

Page

One. Letter to shareholders

※2024 operating results

I. Results of 2024 business plan execution

Revenue for the year was NT$478,462 k, increased 13% over the previous year (2023), and net profit for the period was NT$107,155 k, increased 64% over the previous year. Chemical and oil tank storage leasing revenue in Taichung Port approximately accounted for 79% of the revenue and the Energy Division's electricity revenue accounted for 21%.

II. Budget execution

The Company did not disclose its 2024 financial forecasts to the public.

III. Financial analysis

Unit: Thousands of NTD, unless otherwise specified

Standalone statements Unit: Thousands of NTD, unless otherwise specified items	2024	2023	Increased (decreased) amount	Change percentage (%)
Net operating revenue	$478,462	$425,053	53,409	13%
Operating cost	(298,061)	(301,895)	(3,834)	(1%)
Operating gross margin	180,401	123,158	57,243	46%
Operating expenses	(66,775)	(64,716)	2,059	3%
Net operating income	113,626	58,442	55,184	94%
Non-operating income or expenses	20,565	22,415	(1,850)	(8%)
Income before income tax	134,191	80,857	53,334	66%
Income tax expense	(27,036)	(15,624)	11,412	73%
Current period net income	107,155	65,233	41,922	64%
Other comprehensive income for the year (net)	13,060	(63)	13,123	20,830%
Total comprehensive income for the period	120,215	65,170	55,045	84%
Basic earnings per share (NTD)	1.38	0.84	0.54	64%

Analysis and explanation of the increase or decrease percentage:

1. Increase in sales revenue by 13%：

The Chemical and Oil Tank Storage Division's operating revenue increased by approximately $53.29 million, or 16%, mainly due to (1) The oil tank customers rented more tanks than previous year and throughput volume also soared.; (2) The overall market dynamics of chemical tanks was not so good. As a result, the sales revenue and throughput

volume declined a bit.
The Energy Division's revenues were consistent with prior period, with no significant change.

2. Decrease in operating costs by 1%：
   (1) The decrease in the Chemical and Oil Tank Storage Division of approximately $5.61million, which includes the decrease in depreciation expenses (due to the amortization of fixed assets purchased in prior years comes to the end successively, while the addition of fixed assets in recent years incurred less depreciation expenses.), Lower fuel expenses due to non-renewal of contracts with customers who require heating and insulation, Decrease in import/export expenses due to timing difference between the two periods, etc.,; while the increases were due to the increase in the employee benefit expenses (due to pay raise, and higher employee remuneration as a result of profit growth and higher contribution rate.), and rental expenses increased because of the short-term rental of transformers due to the damage caused by the 20240403 earthquake, and the increase in property insurance premiums was as a result of the continued increase in premium rates for the 2024 fire insurance and commercial general liability insurance for tank terminals.
   (2) The increase of approximately $1.78 million in the Energy Division was primarily due to higher repair and maintenance expenses and the increase in the payment to the solar panel recycling fund.
3. Increase in operating expenses by 3%：
   The increase in marketing and administrative expenses was mainly due to an increase in employee benefit expenses, resulted from pay raise and higher employee remuneration. The latter comes from profit growth and higher contribution rate.
4. Decrease in non-operating income and expenses by 8%：
   (1) The decrease in other income was mainly due to the decrease of cash dividends received from financial asset at fair value through profit or loss and financial assets at fair value through other comprehensive income;
   (2) The increase in other gains and losses was mainly due to the aggregate effect of increase in valuation adjustments on financial assets at fair value through profit or loss compared to the previous period, the gain on disposal of transportation vehicle, and net gain on foreign currency exchange, spurred by US dollar exchange rate appreciation; while there was no gain on disposal of subsidiary in 2024;
   (3) The decrease in finance costs was because we had higher demand with short-term financing in 2023, while it comes down in 2024;
   (4) The increase in the share of profits and losses of affiliates and joint ventures recognized under the equity method was mainly due to the improving of operating income of the investee company.
5. The increase in income tax expense by 73%： It was due to higher net income before income tax resulting from all the factors mentioned above.
6. Increase in other comprehensive income(net): Mainly due to the increase in the cumulative translation adjustment of foreign currencies, with the increase in the US dollar exchange rate compared to the previous period.

Consolidated financial statements

Unit: Thousands of NTD, unless otherwise specified

Item	2024	2023	Increase (decrease) amount	Change percentage (%)
Net operating revenue	$492,033	$441,518	50,515	11%
Operating cost	(311,910)	(314,567)	(2,657)	(1%)
Operating gross profits	180,123	126,951	53,172	42%
Operating expenses	(67,288)	(64,980)	2,308	4%
Net operating profit	112,835	61,971	50,864	82%
Non-operating income or expenses	21,347	18,876	2,471	13%
Profit before income tax	134,182	80,847	53,335	66%
Income tax expense	(27,036)	(15,624)	11,412	73%
Current period net profit	107,146	65,223	41,923	64%
Other comprehensive income for the year (net)	13,060	(63)	13,123	20,830%
Total comprehensive income for the period	120,206	65,160	55,046	84%
Basic earnings per share (NTD)	1.38	0.84	0.54	64%

Analysis and explanation of the increase or decrease percentage:

1. Increase in Operating Revenue: The tank storage business unit experienced a rise in revenue due to an increase in the number of oil tank leases by customers, leading to higher oil tank income. In addition, the volume of loading and unloading operations also showed a significant increase compared to the previous period. Conversely, the chemical storage tank customers saw a slight decline in both revenue and loading/unloading volume due to an overall downturn in market conditions. The combined revenue increased by approximately NT$53.29 million, or 16%.
   The energy business unit reported a revenue decrease of NT$2.78 million, or 2%, primarily due to no new domestic solar sites were connected to the grid during the period, and revenue from overseas projects declined compared to the previous period.
2. Decrease in Operating Costs: The tank storage business unit saw a decrease of approximately NT$5.61 million. The main reductions were due to lower depreciation expenses, as previously acquired fixed assets have gradually reached the end of their depreciation period, while newly acquired assets in recent times have been fewer and thus generated smaller depreciation charges. Fuel costs declined as a result of non-renewal by clients requiring heating and insulation services. Terminal management fees decreased due to timing differences between two periods. On the other hand, cost increases were mainly driven by higher employee benefit expenses resulting from salary adjustments and an increased provision rate for employee compensation due to improved profitability. Rental expenses rose following the April 3, 2024 earthquake, which caused transformer

damage and necessitated short-term transformer rentals. Property insurance expenses also rose due to continued premium rate increases for tank area fire insurance and commercial general liability insurance in 2024.
The energy business unit experienced an increase of approximately NT$2.96 million, primarily due to higher repair and insurance expenses during the period, as well as an increase in contributions to the solar panel recycling fund.

3. Increase in operating expenses: The increase in selling and administrative expenses was primarily attributable to higher employee benefit expenses, driven by salary adjustments and increased employees' compensation resulting from improved profitability and a higher allocation ratio.
4. Increase in non-operating income or expenses:
   (1) The decrease in other income was mainly due to the decrease in cash dividends paid through financial assets at fair value through profit or loss and through other consolidated financial assets at fair value through profit or loss.
   (2) The increase in other gains and losses was mainly due to the increase in valuation adjustments on financial assets at fair value through profit or loss compared to the prior period, gains from the disposal of transportation equipment, and an increase in net foreign exchange gains resulting from the appreciation of the U.S. dollar. The decrease was due to the recognition of a gain on the disposal of the subsidiary in 2023, whereas no such transaction occurred in 2024.
   (3) The decrease in finance costs was due to higher short-term financing needs in 2023, while no such financing was required in 2024.
   (4) The share of profit or loss of associates and joint ventures accounted for using equity method increased, mainly due to the operating profit of newly invested companies in the current period.
5. Income tax expense increased, primarily as a result of the rise in income before tax compared to the prior period.
6. Increase in other comprehensive income: Mainly attributable to an increase in cumulative translation adjustments arising from the translation of financial statements of foreign operations, due to the appreciation of the U.S. dollar during the current period.

※2025 business plan outline

1. Ramp up Revenue stability

   The Chemical and Oil Tank Storage Division
   - To build storage services that respond quickly to customer and market needs, becoming the best storage service partner in the customer's trading and manufacturing value chain.
   - Continue to monitor the international and East Asian oil and chemical markets, identify risks and opportunities, and propose prudent countermeasures.
   - Facing increasingly stringent environmental protection and industrial safety regulations, which may limit operational flexibility and increase costs, we will continue to identify regulations and communicate with the competent authorities through the Tank Association in a timely manner, in order to comprehend regulations and develop countermeasures as soon as possible.

   The Energy Division
   - Collaborate with strategic partners to gradually transform into a light-asset renewable energy project developer and manager.
   - Catch on the trend of green energy policy and development, and convert the

existing FIT lower than the general green power market price to CPPA corporate power purchase contracts to increase the rate of return.
- Continue to develop renewable energy investment opportunities with strategic partners.

2. Nurture human resource in the long run
   - Recruit new talent by improving compensation system, and provide adequate training.
   - Enhance managerial competences by developing on the job training courses for every level of managers.
   - Check out the proficiency of deputy of the middle and high rank managers, and propose counter measure.
3. Process Improvement and Innovation
   - Management system integration and optimization.
   - Application of automation, digitalization, and intelligence technologies.
   - Developing new business models to open up new business opportunities.

※ Effect of the external competitive environment, regulatory environment and overall business environment on future development strategies

I. Variables of external competitive, regulatory and overall business environment

1. The Russian-Ukrainian war broke out in early 2022 is ongoing, and the Israeli-Palestinian conflict in the fourth quarter of 2023, with spillovers to Lebanon and Iran, these have become one of the major uncertainties in the stable supply of international crude oil.
2. The Russo-Ukrainian war triggered a global energy crisis, and the cost of various energy sources soared, resulting in huge increases in the prices of oil, electricity, and natural gas in various countries; in addition, the supply of staple foods, such as wheat, was severely impacted by the war, which caused the prices of various foodstuffs to rise sharply. These factors have caused inflation, which has hurt the finances and livelihoods of many countries, and the people's disposable income, resulting in a sluggish demand for end-consumption.
3. As a result of the increasingly fierce inflation, countries have begun a cycle of interest rate spike. Although some countries have gradually entered the end of the interest rate hike, it has led to an increase in the interest rates of various tenors in Taiwan, which has made it difficult for enterprises to raise funds and increased their financing costs significantly.
4. The tension across the Taiwan Strait keeps going on, which will affect the confidence of international oil traders to rent storage tanks in Taiwan.
5. As a result of incidents such as the Kaohsiung gas explosion a few years ago and the Beirut Ammonium Nitrate explosion in 2020, the petrochemical industry has received great attention in terms of pipeline management and industrial safety issues, and people has become less accepting of the petrochemical industry. The central and local governments have not yet reached a consensus on the establishment of specialized petrochemical zones, as a result, the overall development of the domestic petrochemical industry has been restricted.

6. The operating costs of petrochemical-related industries have been increasing as a result of highly stressed environmental protection issues such as extreme climate and global warming, like fossil fuel reduction, carbon reduction, and net-zero carbon emissions.
7. As a result of the effects of an aging population and sub-replacement fertility in Taiwan, various sectors are facing a major labor shortage, and it is not easy to recruit skilled personnel; coupled with the high cost of housing and goods, the overall salary cost is increasing.
8. With the scarcity of land for solar energy in Taiwan, it is not easy to develop new sites, and the conversion of agricultural or fishery land to photovoltaic sites has been controversial, there will still be a period of friction between environmental sustainability and economic development.
9. Environmental protection and labor safety regulations are becoming stricter, and it leads to increasing operating costs.

II. Future development strategies

1. Strengthening the relationship with international oil product traders and deepening the professional capacity and talent development in the tank storage sector, in order to fully satisfy the needs of customers and become the best tank storage service partner in the value chain of trade and manufacturing, and thus enhance the stability of revenues.
2. Collaborate with strategic partners to swiftly transform into a light-asset renewable energy site developer and manager.
3. Strengthening internal communication and inter-departmental cooperation, along with appropriate human resource development programs, to enhance resilience to external changes and to serve as a foundation for new business development.

Chairman:	Managerial officer:	Accounting officer:
Liao, Shu-Chun	Yeh, Tang-Jung	Huang, Yi-Yin

Two. Corporate governance report

I. Information on directors, supervisors, president, senior vice president, vice presidents, and heads of departments and branches

(I) 1-1 Information on directors, supervisors

April 30, 2025

Title (Note 1)	Nationality or place of registration	Name	Gender/Age (Note 2)	Date Elected (taking office)	Term (Years)	Date First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse and Minor Shareholding		Shareholding by Nominee Arrangement		Experiences (educations) (Note 4)	Other Positions	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks (Note 5)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	Taiwan	Liao, Shu-Chun	Male/41~50 years old	2022.06.23	3 years	2003.06.20	0	0%	0	0%	-	-	-	-	Paris-Sorbonne University Chairman of Prime Oil Chemical Service Corporation	Chairman of the Company; C Chairman of He Zhen Feng Co., Ltd. & Abacus Display Infinity Co., Ltd. & Hong Bang Assets Management Co., Ltd. & Chang Fu Feng Co., Ltd.& Yu Feng Green Energy Co、 Ltd. & Kuan Tai Green Energy Co., Ltd & An Feng Green Energy Co., Ltd& Kun Feng Green Energy Co., Ltd; Director of Prime Holdings Corporation & Prime Solar Energy Co.	None	None	None	No such situation

Title (Note 1)	Nationality or place of registration	Name	Gender/Age (Note 2)	Date Elected (taking office)	Term (Years)	Date First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse and Minor Shareholding		Shareholding by Nominee Arrangement		Experiences (educations) (Note 4)	Other Positions	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks (Note 5)
Director	Taiwan	Chen, Yung-Chin	Male/over 70 years old	2022.06.23	3 years	2011.04.06	0	0%	0	0%	-	-	-	-	Soochow University M.S., Institute of Accounting CPA/associate director of PwC Taiwan, assistant professor of Soochow University	Independent Director, Member of Remuneration Committee and Chairman of Audit Committee of WPG HOLDINGS LIMITED; Director of United Way of Taiwan	None	None	None	
Director	Taiwan	ABACUS DISPLAY INFINITY CORPORATION * Representative: Zen, Hong-Tzeng	Male/over 70 years old	2022.06.23	3 years	2013.06.28	26,593,949 *0	38.52% *0%	32,171,849 *0	41.33% *0%	-	-	-	-	-Chinese Culture University -Business Administration Department -Manager of Taiwan Cooperative Bank	Director of THE TRUSTLAND CO., LTD.	None	None	None	
Director	Taiwan	ABACUS DISPLAY INFINITY CORPORATION * Representative: Yeh, Tang-Jung	Male/51~60 years old	2022.06.23	3 years	2003.06.20	26,593,949 *0	38.52% *0	32,171,849 *30,165	41.33% *0.0387%	*40,000	*0.0514%	-	-	National Taiwan University Accounting Department	President of the Company, and supervisor of He Zhen Feng Co., Ltd.	None	None	None	
Independent director	Taiwan	Ho, Kuo-Chen	Male/over 70 years old	2022.06.23	3 years	2016.06.30	0	0%	0	0%	-	-	-	-	Department of Accounting, Soochow University President of KNH ENTERPRISE CO., LTD.	Chairman of the Company's Remuneration Committee and the Audit Committee.	None	None	None	

Title (Note 1)	Nationality or place of registration	Name	Gender/Age (Note 2)	Date Elected (taking office)	Term (Years)	Date First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse and Minor Shareholding		Shareholding by Nominee Arrangement		Experiences (educations) (Note 4)	Other Positions	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks (Note 5)
Independent director	Taiwan	Jang, Jr-Yan	Male/51~60 years old	2022.06.23	3 years	2016.06.30	1,000	0.001%	1,000	0.001%	-	-	-	-	Drexel University Master of Science	Trader of SUEK AG, TAIWAN BRANCH (SWITZERLAND), person in charge of TAIMCHEM BUSINESS CO., LTD, Member of the Company's Remuneration Committee and the Audit Committee.	None	None	None	
Independent director	Taiwan	Chen, Lung-Tai	Male/51~60 years old	2022.06.23	3 years	2022.06.23	0	0%	0	0%	-	-	-	-	Nanya Industrial Technical Institute, Department of Textile Engineering; Auditing Manager of Reliance Securities Co., Ltd	Supervisor of Chao Qing Investment Co., Ltd and Head of Self-Marketing Department Reliance Securities Co., Ltd. Member of the Company's the Audit Committee.	None	None	None	

Note 1: The names of corporate shareholders and their representatives should be listed separately (for corporate shareholders, the name of the corporate shareholder should be indicated) and should be listed below. Schedule 1.

Note 2: Please list the actual age and express it in a range, such as 41~50 years old or 51~60 years old.

Note 3: Enter the time when the Company's directors or supervisors first took office. If there is an interruption in service, a note should be included.

Note 4: Experiences related to the current position, such as having worked for the attesting CPA firm or its affiliated enterprises during the above-mentioned period, the title of the position and the duties performed should be specified.

Note 5: If the chairman and the president or equivalents (the top managerial officers) of the Company are the same person, each other's spouse or relative within the first degree of kinship, the reason, rationality, necessity, corresponding measures (such as increasing the number of independent directors and having a majority of directors who are not concurrently serving as employees or managerial officers, etc.) and related information should be described.

1-2. Major shareholders of corporate shareholders

April 30, 2025

Name of corporate shareholders (Note 1)	Major shareholders of corporate shareholders (Note 2)	Shares Ratio
ABACUS DISPLAY INFINITY CORPORATION	Core International Limited	87.68%
	Liao, Shu-Chun	11.69%
	Liao, Ling-Ru	0.48%
	Huang, Jiu-Mei	0.15%

Note 1: If the director or supervisor is a representative of a corporate shareholder, the name of the corporate shareholder should be filled in.

Note 2: Enter the names of the major shareholders of the corporate shareholders (whose shareholdings are among the top ten) and their shareholdings. If the major shareholder is a corporation, the following Schedule should be completed.

Note 3: If a corporate shareholder is not a company organization, the name of the shareholder and the percentage of shareholding in the preceding paragraph shall be the name of the investor or donor and the percentage of the investment or donation.

1-3. Where the major shareholders are corporations, the major shareholders

April 30, 2025

Name of corporation (Note 1)	Major shareholders of corporation (Note 2)	Shares Ratio
Core International Limited	Annecy Investment Limited	100%

Note 1: If the major shareholder in Schedule 1 above is a corporation, the corporation's name should be filled in.

Note 2: Enter the names of the major shareholders of the corporation (whose shareholdings are among the top ten) and their shareholdings.

Note 3: If a corporate shareholder is not a company organization, the name of the shareholder and the percentage of shareholding in the preceding paragraph shall be the name of the investor or donor and the percentage of the investment or donation.

1-4. Information on the independence of directors and supervisor

April 30, 2025

Criteria / Name	Professional qualification and experiences(Note 1)	Independence condition (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Liao, Shu-Chun	For professional qualification and experiences of directors, please refer to II (I) 1-1 Information on directors, supervisors；None of the Director has been in or is under any circumstances stated in Article 30 of the Company Act.	The Chairman of Liao, Shu-Chun currently serves as a director of a related company.	None
Chen, Yung-Chin	For professional qualification and experiences of directors, please refer to II (I) 1-1 Information on directors, supervisors；None of the Director has been in or is under any circumstances stated in Article 30 of the Company Act.	Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any POCS shares. Director (or nominee arrangement) as well as his/her spouse and minor children do not a director, supervisor or employee of the Company or its affiliates or a specified company or institution that has a financial or business relationship with POCS.	1
ABACUS DISPLAY INFINITY CORPORATION * Representative: Zen, Hong-Tzeng	For professional qualification and experiences of supervisors, please refer to II (I) 1-1 Information on directors, supervisors ； None of the Supervisor has been in or is under any circumstances stated in Article 30 of the Company Act.	Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any POCS shares. Director (or nominee arrangement) as well as his/her spouse and minor children do not a director, supervisor or employee of the Company or its affiliates or a specified company or institution that has a financial or business relationship with POCS.	None
ABACUS DISPLAY INFINITY CORPORATION * Representative: Yeh, Tang-Jung	For professional qualification and experiences of directors, please refer to II (I) 1-1 Information on directors, supervisors；None of the Director has been in or is under any circumstances stated in Article 30 of the Company Act.	Director Yeh, Tang-Jung is the president of the Company and serves as a director of a related company, and himself, spouse or by nominee arrangement of others, holding of shares reach 0.0901% of issued shares.	None

Criteria / Name	Professional qualification and experiences(Note 1)	Independence condition (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Ho, Kuo-Chen	For professional qualification and experiences of Directors, please refer to II (I) 1-1 Information on directors, supervisors；None of the Director has been in or is under any circumstances stated in Article 30 of the Company Act.	Satisfy the requirements of Article 14-2 of “Securities and Exchange Act” and “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” issued by Taiwan’s Securities and Futures Bureau.	None
Jang, Jr-Yan	For professional qualification and experiences of directors, please refer to II (I) 1-1 Information on directors, supervisors；None of the Director has been in or is under any circumstances stated in Article 30 of the Company Act.	Satisfy the requirements of Article 14-2 of “Securities and Exchange Act” and “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” issued by Taiwan’s Securities and Futures Bureau.	None
Chen, Lung-Tai	For professional qualification and experiences of directors, please refer to II (I) 1-1 Information on directors, supervisors ；None of the Supervisor has been in or is under any circumstances stated in Article 30 of the Company Act.	Satisfy the requirements of Article 14-2 of “Securities and Exchange Act” and “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” issued by Taiwan’s Securities and Futures Bureau.	None

1-4-1. Diversification and independence of Board of Directors：

I. Diversity of Directors：

In order to strengthen corporate governance and promote the development of the composition and structure of the Board of Directors, the Company's Board of Directors should have the following competencies, in addition to the fact that the number of directors who are also managers of the Company should not exceed one-third of the Board of Directors, and that they should have different professional backgrounds, work areas and knowledge, skills and qualities necessary for their duties：

Name of directors	Basic Composition				Diversified core items							
	Country	Gender	Age	Concurrently employed as an employee of this company	Judgments about operations.	Accounting and finance	Business management	Crisis management	Industry knowledge	International market	Leadership ability	Decision-making ability
Liao, Shu-Chun	Taiwan	Male	41~50 years old		V	V	V	V	V	V	V	V
Chen, Yung-Chin			over 70 years old		V	V	V	V	V	V	V	V
ABACUS DISPLAY INFINITY CORPORATION Representative: Zen, Hong-Tzeng			over 70 years old		V	V	V	V	V	V	V	V
ABACUS DISPLAY INFINITY CORPORATION Representative: Yeh, Tang-Jung			51~60 years old	V	V	V	V	V	V	V	V	V
Ho, Kuo-Chen			over 70 years old		V	V	V	V	V	V	V	V
Jang, Jr-Yan			51~60 years old		V	V	V	V	V	V	V	V
Chen, Lung-Tai			51~60 years old		V	V	V	V	V	V	V	V

II. Independence of Board of Directors：

The current board of directors of the Company consists of 7 members, including 3 independent directors, and the number of independent directors accounts for 42.86% of the total number of directors. As of the end of 2024, None of the directors are related to each other as spouses or within two degrees of kinship, and none of them are under any circumstances stated in Items 3 and 4 of Article 26-3 of the Securities and Exchange Act.

III. If the number of seats on the Board of Directors of either gender is less than one-third, the reasons for this and the measures planned to enhance gender diversity among directors: Although the number of seats of directors of different genders among the current seven directors has not yet reached one-third or more, it is expected that after the re-election of the directors on June 10, 2025, at least one of the seats, or 14.29% of the seats, will be held by a director of a different gender, which would meet the minimum requirement of gender diversity by that time. In the future, the Company will continue to enhance gender equality among its Board members with a view to achieving the medium- to long-term goal of one-third of the total number of seats for directors of different genders.

Note 1: Professional Qualifications and Experience: The professional qualifications and experience of individual directors and supervisors shall be described, and if they are members of the Audit Committee and have accounting or financial expertise, their accounting or financial background and work experience shall be described, and whether they have not been subject to the provisions of Article 30 of the Company Act.

Note 2: The independent director shall state the circumstances of independence, including but not limited to whether he or she, his or her spouse or second degree relatives are directors, supervisors or employees of the Company or its affiliates; the number and proportion of shares held by him or her, his or her spouse or second degree relatives (or using the names of others); and whether he or she is an independent director of a company with specific ties to the Company (refer to Article 3-1 of the Rules Governing the Establishment and Compliance of Independent Directors of Public Companies). Note 3: Please refer to Article 3, Paragraph 1, Paragraphs 5~8 of the Rules Governing the Establishment of Independent Directors of Public Companies, and the amount of remuneration received for the provision of business, legal, financial and accounting services to the Company or its affiliates in the last two years.

Note 3: Please refer to the best practice reference examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange for disclosure methods.

1-5. Education and training for directors in 2024

Title	Name	Training date	Course organizer	Topic of Course
Chairman	Liao, Shu-Chun	2024/09/13	Accounting Research and Development Foundation	Corporate Finance Awareness - Behavioral Finance and Corporate Decision Making
		2024/09/04	Accounting Research and Development Foundation	How directors and supervisors with non-financial background review financial reports
Director	Chen, Yung-Chin	2024/08/13	Taiwan Institute of Directors	Carbon Connections, Carbon Fees, Carbon Taxes, Carbon Rights and Carbon Trading
		2024/05/09	Taiwan Institute of Directors	Creating Sustainable Performance Indicators and Rewards
Director	ABACUS DISPLAY INFINITY CORPORATION * Representative: Zen, Hong-Tzeng	2024/06/19	Securities and Futures Institute	The Facts of Establishment of the Offenses of Directors' and Supervisors' Breach of Trust and Specialized Breach of Trust
		2024/06/13	Securities and Futures Institute	Sustainable Supply Strategies in the Face of Expanding Global Risks
Director	ABACUS DISPLAY INFINITY CORPORATION * Representative: Yeh, Tang-Jung	2024/09/19	Securities and Futures Institute	Silicon Photonics Defined Networks: Trends in Silicon Photonics (SiPh) and Co-Packaged Optics (CPO)
		2024/09/11	Securities and Futures Institute	Shareholders' Meetings, Management Rights, and Shareholding Strategies
Independent director	Ho, Kuo-Chen	2024/10/22	Securities and Futures Institute	Intellectual Property Management-Focusing on Patents and Trade Secrets
		2024/08/21	Securities and Futures Institute	Challenges and Opportunities in Sustainability Pathways and Greenhouse Gas Inventory
Independent director	Jang, Jr-Yan	2024/11/06	Accounting Research and Development Foundation	Corporate Fraud Investigations and Case Studies
Independent director	Chen, Lung-Tai	2024/04/24	Taiwan Insurance Institute	Prevention of Money Laundering in the Financial Sector in 2024 Years and Combating Financing Terrorism Seminar on Capital Arms Expansion

(II). Information on president, senior vice president, vice presidents, and heads of departments and branches

April 30, 2025

Title (Note 1)	Nationality	Name	Gender	Date Effective	Shareholding		Spouse and Minor Shareholding		Shareholding by Nominee Arrangement		Experiences (Educations) (Note 2)	Other Position	Manager who are Spouses or Within Two Degree of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	Taiwan	Yeh, Tang-Jung	Male	2006.01.01	30,165	0.0387%	40,000	0.0514%	-	-	National Taiwan University Accounting Department	supervisor of He Zhen Feng Co., Ltd.	None	None	None	No such situation
Senior vice president		Su, Kun-Ming		2011.08.01	-	-	-	-	-	-	Nanya Institute of Technology Department of Textile Engineering	Director of He Zhen Feng Co., Ltd.	None	None	None	
Senior vice president		Jiang, Shu-Kai		2009.07.01	12,223	0.0157%	143	0.0002%	-	-	Chienkuo Institute of Technology Department of Electronics	None	None	None	None	
Vice president		Hsu, Chien		2012.11.07	1,000	0.0013%	-	-	-	-	Thunderbird School of Global Management	None	None	None	None	
Vice president		LIN,Chih-Lung		2021.04.01	-	-	-	-	-	-	Chung Hua University Department of Business Administration,	None	None	None	None	
Vice president		Liang, Shyh-Chuan		2012.04.01	1,000	0.0013%	-	-	-	-	Feng Chia University Master, Institute of Accounting and Taxation	None	None	None	None	
Treasurer		Lee, Ming-Guen		2016.07.12	5,917	0.0076%	-	-	-	-	Tamkang University Department of Finance,	None	None	None	None	
Controller		Huang, Yi-Yin		2021.04.01	5,000	0.0064%	-	-	-	-	Chung Yuan Christian University, Master, Institute of Accounting	None	None	None	None	

Note 1: Information on President, Senior vice president, vice president, an officer of the department and branch, and anyone whose position is equivalent to that of President, Senior vice president or vice president, regardless of title, should also be disclosed.

Note 2: Experiences related to the current position, such as having worked for the attesting CPA firm or its affiliated enterprises during the above-mentioned period, the title of the position and the duties performed should be specified.

Note 3: If the Chairman and the President or equivalents (the top managerial officers) of the Company are the same person, each other's spouse or relative within the first degree of kinship, the reason, rationality, necessity, corresponding measures (such as increasing the number of independent directors and having a majority of directors who are not concurrently serving as employees or managerial officers, etc.) and related information should be described.

II. Total remuneration paid to directors, supervisors, President and senior vice president for the most recent year

(1)1-1 Total remuneration for regular directors and independent directors:

Unit: Thousand NTD

Title	Name	Directors' remuneration								A, B, C and D as a % of the net profits after tax (Note 10)		Total remuneration for a concurrent position as an employee								A, B, C, D, E, F and G as a % of the net profits after tax (Note 10)		Remuneration from invested enterprises outside subsidiaries or from the parent company (Note 11)
		Base remuneration (A) (Note 2)		Severance and pension (B)		Bonus remuneration for directors (C) (Note 3)		Business execution expenses (D) (Note 4)				Salary, bonus, allowance (E) (Note 5)		Severance and pension (F)		Bonus remuneration for employees (G) (Note 6)						
		The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company		All companies in the financial statements (Note 7)		The Company	All companies in the financial statements	
																Cash amount	Stock amount	Cash amount	Stock amount			
Chairman	Liao, Shu-Chun	5,953	5,953	487	487	680	680	30	30	6.67%	6.67%	-	-			-		-		6.67%	6.67%	
Director	Chen, Yung-Chin	-	-	-	-	542	542	30	30	0.53%	0.53%	-	-			-		-		0.53%	0.53%	
Director	ABACUS DISPLAY INFINITY CORPORATION* Representative: Zen, Hong-Tzeng	-	-	-	-	516	516	30	30	0.51%	0.51%	-	-	None		-	None	-	None	0.51%	0.51%	None
Director	ABACUS DISPLAY INFINITY CORPORATION Yeh, Tang-Jung	-	-	164	164	580	580	30	30	0.72%	0.72%	2,501	2,501			483		483		3.51%	3.51%	
Independent director	Ho, Kuo-Chen	-	-	-	-	566	566	30	30	0.56%	0.56%	-	-			-		-		0.56%	0.56%	
Independent director	Jang, Jr-Yan	-	-	-	-	504	504	30	30	0.50%	0.50%	-	-			-		-		0.50%	0.50%	
Independent director	Chen, Lung-Tai					535	535	30	30	0.53%	0.53%	-	-			-		-		0.53%	0.53%	

1. Please describe the policy, system, criteria and structure for the total remuneration for independent directors, and the correlation to the amount of total remuneration in terms of their responsibilities, risks, time spent and other factors: The following items are weighed separately and the bonus remuneration is determined by the score: Responsibility, participation in the operation of the company (attendance at board meetings, attendance at shareholders' meetings, specific guidance on the direction of the Company's business development and corporate governance to enhance the Company's overall operational and governance performance, the number of hours of initial or annual continuing education of directors and supervisors in compliance with or in excess of the above number of hours, as determined by the competent authority, or participation in other activities to enhance the professional performance of the functions of directors and supervisors)
2. Except as disclosed above, the remuneration for the directors of the Company for providing services to all companies in the financial statements (such as serving as a non-employee consultant, etc.) in the most recent year: None.

Note 1: The names of directors should be listed separately (the names of corporate shareholders and their representatives should be listed separately), and the regular directors and independent directors should be listed separately. The amount of each payment should be disclosed in a summary manner. If a director is also the President or senior vice president, this schedule and the following schedule (3-1) or (3-2) should be filled in.

Note 2: This refers to the base remuneration for directors in the most recent year (including salaries, duty allowance, severance, various bonuses and incentive payments, etc.).

Note 3: This is the amount of the bonus remuneration for directors approved by the Board of Directors in the most recent year.

Note 4: This refers to directors' business execution expenses in the most recent year (including transportation fee, special allowance, various stipends, dormitory, company car, etc.). The nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed when housing, automobiles and other means of transportation or personal expenditures are provided. In addition, if a driver is provided, please note the relevant based remuneration paid by the Company to the driver, but do not include it in the total remuneration for directors.

Note 5: This refers to the salary, duty allowance, severance, various bonuses, incentive payments, transportation fee, special allowance, various stipends, dormitory, company car and other provisions, etc., received by a director who is concurrently serving as an employee (including part-time President, senior vice president, other officers and employees) in the most recent year. The nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed when housing, automobiles and other means of transportation or personal expenditures are provided. In addition, if a driver is provided, please note the relevant based remuneration paid by the Company to the driver, but do not include it in the total remuneration for directors. In addition, salary expenses recognized under IFRS 2, "Share-based Payment," including the acquisition of employee stock options, new restricted employee stock, and participation in cash capital increase to subscribe for shares, should also be included in the remuneration.

Note 6: The amount of employee bonus remuneration (including stock and cash) received by a director who is concurrently an employee (including part-time President, senior vice president, other officers and employees) in the most recent year should be disclosed as approved by the Board of Directors in the most recent year, and if the amount cannot be estimated, the proposed payment amount for this year should be calculated in proportion to the actual payment amount last year, and should also be listed in Exhibit 1-3.

Note 7: The total amount of remuneration paid to the directors of the Company by all companies in the consolidated statements (including the Company) should be disclosed.

Note 8: The total amount of each remuneration paid by the Company to each director is disclosed with the director's name at the range the amount belongs to.

Note 9: The total amount of remuneration paid to the directors of the Company by all companies in the consolidated statements (including the Company) should be disclosed with the director's name at the range the amount belongs to.

Note 10: The net profits after tax refer to the net profits after tax of the most recent year for stand-alone or unconsolidated financial statements.

Note 11: a. This column should explicitly state whether the directors of the Company "have" or "have not" received remuneration from invested other than subsidiaries or parent company.

b. If a director of the Company receives remuneration from invested enterprises other than subsidiaries or parent company, the remuneration received by the director of the Company from invested enterprises other than subsidiaries or parent company should be included in column I of the schedule of remuneration ranges, and the name of the column should be changed to "parent and all invested enterprises".

c. Total remuneration refers to the base or bonus remuneration (including bonus remuneration to employees, directors and supervisors) and business execution expenses of the directors of the Company in their capacity as directors, supervisors or officers

of an investee enterprise other than a subsidiary or parent company.
* The remuneration disclosed here is different from the concept of income under the Income Tax Act. Therefore, the purpose here is for information disclosure and not for tax return purposes.

(2)2-1 Remuneration for supervisors (The company set up the audit committee on 111/06/23)

(3)3-1 Base remuneration for president and senior vice president

Unit: Thousand NTD

Title	Name	Base salary (A) (Note 2)		Severance and pension (B)		Bonus and allowance (C) (Note 3)		Bonus remuneration for employees (D) (Note 4)				A, B, C and D as a % of the net profits after tax (%) (Note 8)		Remuneration from invested enterprises outside subsidiaries or from the parent company (Note 9)
		The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company		All companies in the financial statements (Note 5)		The Company	All companies in the financial statements (Note 5)	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	Yeh, Tang-Jung	1,910	1,910	164	164	591	591	483	0	483	0	2.94%	2.94%	None
Senior vice president	Su, Kun-Ming	1,444	1,444	95	95	341	341	303	0	303	0	2.04%	2.04%	None
Senior vice president	Jiang, Shu-Kai	1,483	1,483	108	108	427	427	352	0	352	0	2.21%	2.21%	None

* Regardless of title, any position equivalent to that of a President or senior vice president (e.g., president, chief executive officer, director...etc.) shall be disclosed.

3-2 Total remuneration range

Total remuneration ranges for the Presidents and senior vice presidents of the Company	Name of President and senior vice president	
	The Company (Note 6)	All companies in the financial statements (Note 7) E
Less than $1,000,000		
$1,000,000 (inclusive) ～ $2,000,000 (exclusive)		
$2,000,000 (inclusive) ～ $3,500,000 (exclusive)	Yeh, Tang-Jung, Jiang, Shu-Kai, Su, Kun-Ming	Yeh, Tang-Jung, Jiang, Shu-Kai, Su, Kun-Ming
$3,500,000 (inclusive) ～ $5,000,000 (exclusive)		
$5,000,000 (inclusive) ～ $10,000,000 (exclusive)		
$10,000,000 (inclusive) ～ $15,000,000 (exclusive)		
$15,000,000 (inclusive) ～ $30,000,000 (exclusive)		
$30,000,000 (inclusive) ～ $50,000,000 (exclusive)		
$50,000,000 (inclusive) ～ $100,000,000 (exclusive)		
More than $100,000,000		
Total		

Note 1: The names of the President and senior vice president should be listed separately and the amount of each payment shall be disclosed in a summary manner. If a director is also the President or senior vice president, this schedule and the above schedule (1-1) or (1-2) should be filled in.
Note 2: This is for the salary, duty allowance and severance of the President and senior vice president in the most recent year.
Note 3: This is for various bonuses, incentive payments, transportation fee, special expenses, various stipends, dormitories, company cars and other provisions for the President and senior vice president in the most recent year. The nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed when housing, automobiles and other means of transportation or personal expenditures are provided. In addition, if a driver is provided, please note the relevant based remuneration paid by the Company to the driver, but do not include it in the total remuneration for directors. In addition, salary expenses recognized under IFRS 2, "Share-based Payment," including the acquisition of employee stock options, new restricted employee stock, and participation in cash capital increase to subscribe for shares, should also be included in the remuneration.
Note 4: The amount of employee remuneration (including stock and cash) received by the President and senior vice president in the most recent year should be disclosed as approved by the Board of Directors, and if the amount cannot be estimated, the proposed payment amount for this year should be calculated in proportion to the actual payment amount last year, and should also be listed in Exhibit 1-3.
Note 5: The total amount of remuneration paid to the President and senior vice president of the Company by all companies in the consolidated statements (including the Company) should be disclosed.
Note 6: The total amount of each remuneration paid by the Company to each President and senior vice president is disclosed with the name of the President or senior vice president at the range the amount belongs to.
Note 7: The total amount of remuneration paid to the President or senior vice president of the Company by all companies in the consolidated statements (including the Company) should be disclosed with the name of the President or senior vice president at the range the amount belongs to.
Note 8: The net profits after tax refer to the net profits after tax of the most recent year for stand-alone or unconsolidated financial statements.
Note 9: a. This column should explicitly state whether the President and senior vice president of the Company "have" or "have not" received remuneration from invested other than subsidiaries or parent company.
b. If the President and senior vice president of the Company receives remuneration from invested enterprises other than subsidiaries or parent company, the remuneration received by the President and senior vice president of the Company from invested enterprises other than subsidiaries or parent company should be included in column E of the schedule of remuneration ranges. The name of the column should be changed to "parent and all invested enterprises".
c. Total remuneration refers to the base or bonus remuneration (including bonus remuneration to employees, directors and supervisors) and business execution expenses of the President and senior vice president of the Company in their capacity as directors, supervisors or officers of an investee enterprise other than a subsidiary or parent company.

* The remuneration disclosed here is different from the concept of income under the Income Tax Act. Therefore, the purpose here is for information disclosure and not for tax return purposes.

(4) 4-1 Total remuneration of the top five highest paid executives of listed companies (Separately disclose the name and method of remuneration)

Unit: Thousand NTD

Title	Name	Base salary (A) (Note 2)		Severance and pension (B)		Bonus and allowance (C) (Note 3)		Bonus remuneration for employees (D) (Note 4)				A, B, C and D as a % of the net profits after tax (%) (Note 8)		Remuneration from invested enterprises outside subsidiaries or from the parent company (Note 9)
		The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company		All companies in the financial statements (Note 5)		The Company	All companies in the financial statements (Note 5)	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	Yeh, Tang-Jung	1,910	1,910	164	164	591	591	483		483		2.94%	2.94%	
Senior vice president	Su, Kun-Ming	1,444	1,444	95	95	341	341	303		303		2.04%	2.04%	
Senior vice president	Jiang, Shu-Kai	1,483	1,483	108	108	427	427	352	None	352	None	2.21%	2.21%	None
Vice president	Hsu, Chien	1,418	1,418	95	95	274	274	178		178		1.83%	1.83%	
Vice president	Liang, Shyh-Chuan	1,051	1,051	68	68	307	307	239		239		1.56%	1.56%	

Note 1: The term "top five highest paid executives" refers to the managerial officers of the Company. The criteria for managerial officers are based on the scope of application of "managerial officers" as stipulated by the Securities and Futures Commission of the Ministry of Finance in its Order Tai-Cai-Sheng-San-Zi No. 0920001301 dated March 27, 2003. The "Top Five Highest Remuneration" calculation is based on the total amount of base salary, severance and pension, bonus and allowance received by the officers from all companies in the consolidated financial statements, as well as the amount of remuneration for employees (i.e., the total of the four items A+B+C+D), and then ranked by the top five highest remunerations. If a director is also a former officer, this schedule and the above (1-1) should also be filled in.

Note 2: This is for the salary, duty allowance and severance of the top five highest paid officers in the most recent year.

Note 3: This is for various bonuses, incentive payments, transportation fee, special expenses, various stipends, dormitories, company cars and other provisions for the top five highest paid officers in the most recent year. The nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed when housing, automobiles and other means of transportation or personal expenditures are provided. In addition, if a driver is provided, please note the relevant based remuneration paid by the Company to the driver, but do not include it in the total remuneration for directors. In addition, salary expenses recognized under IFRS 2, "Share-based Payment," including the acquisition of employee stock options, new restricted employee stock, and participation in cash capital increase to subscribe for shares, should also be included in the remuneration.

Note 4: The amount of employee remuneration (including stock and cash) received by the top 5 highest paid executives in the most recent year should be disclosed as approved by the Board of Directors, and if the amount cannot be estimated, the proposed payment amount for this year should be calculated in proportion to the actual payment amount last year, and should also be listed in Exhibit 1-3.

Note 5: The total amount of remuneration paid to the top 5 highest paid executives of the Company by all companies in the consolidated statements (including the Company) should be disclosed.

Note 6: The net profits after tax refer to the net profits after tax of the most recent year for stand-alone or unconsolidated financial statements.

Note 7: a. This column should explicitly state whether the top 5 highest paid executives of the Company "have" or "have not" received remuneration from invested other than subsidiaries or parent company.

b. Total remuneration refers to the base or bonus remuneration (including bonus remuneration to employees, directors and supervisors) and business execution expenses of the top 5 highest paid executives of the Company in their capacity as directors, supervisors or officers of an investee enterprise other than a subsidiary or parent company.

* The remuneration disclosed here is different from the concept of income under the Income Tax Act. Therefore, the purpose here is for information disclosure and not for tax return purposes.

(4) List of the managerial officers who receive the bonus remuneration for employees

Unit: Thousand NTD

<table>
<tr><th></th><th>Title
(Note 1)</th><th>Name
(Note 1)</th><th>Stock amount</th><th>Cash amount</th><th>Total</th><th>Total amount as a percentage of net income after tax (%)</th></tr>
<tr><td rowspan="9">Managerial officer</td><td>President</td><td>Yeh, Tang-Jung</td><td rowspan="9">0</td><td rowspan="9">1,125</td><td rowspan="9">1,125</td><td rowspan="9">1.05%</td></tr>
<tr><td>Senior vice president</td><td>Su, Kun-Ming</td></tr>
<tr><td>Senior vice president</td><td>Jiang, Shu-Kai</td></tr>
<tr><td>Vice president</td><td>Hsu, Chien</td></tr>
<tr><td>Vice president</td><td>Lin Zhi-long</td></tr>
<tr><td>Vice president</td><td>Liang,Shyh-Chuan</td></tr>
<tr><td>Vice president</td><td>Sun, Li-Ming
(2024.11.25-retired)</td></tr>
<tr><td>Treasurer</td><td>Lee,Ming-Guen</td></tr>
<tr><td>Controller</td><td>Huang, Yi-Yin</td></tr>
</table>

Note 1: Individual names and titles should be disclosed, but the distribution of earnings should be disclosed in aggregate.
Note 2: The amount of employee remuneration (including stock and cash) received by managerial officers in the most recent year should be disclosed as approved by the Board of Directors, and if the amount cannot be estimated, the proposed payment amount for this year should be calculated in proportion to the actual payment amount last year. The net profits after tax refer to the net profits after tax of the most recent year; if IFRSs have been adopted, the net profits after tax refer to the net profits after tax of the most recent year for an individual or standalone financial reports.
Note 3: The scope of application of managerial officers, as stipulated in the Order Tai-Cai-Sheng-San-Zi No. 0920001301 dated March 27, 2003., is as follows.
Note 4: If the directors, President and senior vice president receive employee remuneration (including stock and cash), this schedule, in addition to Exhibit 1-2 should be filled in.

(5) Compare and describe the total remuneration paid to directors, supervisors, presidents, and senior vice presidents in the most recent 2 years by the Company and all companies in the consolidated financial statements as a % of the net income after tax, and explain the policies, criteria, combination, the procedures for determining remuneration and the correlation to operating performances and future risks.

Unit: Thousand NTD

Year	2024		2023	
Title	Total remuneration paid	Total amount as a percentage of net income after tax %	Total remuneration paid	Total amount as a percentage of net income after tax %
Director (Excluding the remuneration for a concurrent position as an employee)	10,741	10.02%	9,403	14.41%
Supervisor	-	-	-	-
President and senior vice president	7,701	7.19%	6,834	10.48%

1. Article 17 of the Company's Articles of Incorporation stipulates that the base remuneration for directors (including the Chairman) is authorized to be determined by the Board of Directors in accordance with the industrial salary level.
2. Article 32 of the Company's Articles of Incorporation (prior to the amendment at the 2016 regular shareholders' meeting) states: "If the Company's annual accounting close concludes there is earnings surplus, the Company shall first make a tax provision and make up for past losses, then set aside 10% of its annual earnings as a legal reserve, and if necessary, set aside as or reverse special reserve in accordance with Article 41 of the Securities and Exchange Act, and then distribute the remaining balance in the following order: I. Bonuses for employees of not less than 3%. II. Bonus remuneration for directors and supervisors of not more than 5%. III. The remaining balance, together with the accumulated undistributed earnings of prior years, shall be prepared by the Board of Directors as a dividend distribution proposal to shareholders for adoption or discussion at the shareholders' meeting.

   The aforementioned distribution of employee stock bonuses may include employees of subordinate companies. The employee bonus distribution measure shall be in accordance with the resolution of the board of directors.

   Article 32 of the Company's Articles of Incorporation (proposed to be amended in the 2016 regular shareholders' meeting) stipulates: "If the Company makes a profit in a year, it shall set aside not less than 3% as the bonus remuneration for employees and not more than 5% as the bonus remuneration for directors and supervisors. However, if the Company still has accumulated losses, it should reserve the make-up amount in advance.

   The aforementioned employee bonus remuneration can be in the form of stock or cash and may be paid to employees of subordinate companies who meet certain criteria. The employee bonus remuneration distribution measure shall be in accordance with the resolution of the board of directors.

   If the Company's annual accounting close concludes there is earnings surplus, the Company shall first make a tax provision and make up for past losses, then set aside 10% of its annual earnings as a legal reserve, except when the legal reserve has reached the Company's paid-in capital. In addition, special reserves may be set aside or reversed depending on the Company's operating needs and legal regulations. The remaining balance, if any, together with the undistributed earnings at the beginning of the period, shall be prepared by the Board of Directors as an earnings distribution proposal to shareholders for resolution at the shareholders' meeting.
3. The remuneration policy for the President and senior vice president

   The remuneration policy for the President and senior vice president of the Company is based on the industrial salary level for the position and the contribution to the Company's operation, and reasonable remuneration is given with reference to the future business risks of the industry. It is adjusted from time to time in accordance with the business conditions, laws and regulations, and the performance of the individual in order to achieve the goal of sustainable operation of the Company.

III. The result of corporate governance

(I) Information on the operations of the board of directors

The board of directors met 5 times in 2024 (A, note 2), and the attendance of directors was as follows:

Title	Name (Note 1)	Attendance in person (B)	By Proxy	Attendance Rate (%) [B/A] (Note 2)	Remarks
Chairman	Liao, Shu-Chun	5	0	100%	There were 5 Board meetings in 2024
Director	Chen, Yung-Chin	5	0	100%	
	ABACUS DISPLAY INFINITY CORPORATION * Representative: Zen, Hong-Tzeng	5	0	100%	
	ABACUS DISPLAY INFINITY CORPORATION * Representative: Yeh, Tang-Jung	5	0	100%	
Independent director	Ho, Kuo-Chen	5	0	100%	
	Jang, Jr-Yan	3	2	60%	
	Chen, Lung-Tai	5	0	100%	

Other matters recorded:

I. If the operation of the Board of Directors is under any of the following circumstances, the date, period, proposal content, all independent directors' opinions and the Company's handling of their opinions should be described:

(I). Matters referred to in Article 14-3 of the Securities and Exchange Act: None.

(II). In addition to the previous matters, other board meeting resolutions have been opposed or reserved by independent directors with records or written statements: None.

II. In the implementation of a director's recusal for being an interested party in a proposal, the director's name, the proposal content, the recusal reasons and his or her participation in voting should be stated: None

III. Please refer to the Board of Directors' evaluation on page 24 for the Company's Board of Directors' evaluation.

IV. Evaluation of the current and most recent year's objectives for enhancing the functions of the Board of Directors (e.g., establishing an audit committee, enhancing information transparency, etc.) and their implementation.

1. The Company discloses adequate financial information in its annual report, corporate website and the Market Observation Post System.
2. The Company has established the "Rules of Procedure for Board of Directors Meetings" for compliance in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" and has disclosed the attendance of directors on the Market Observation Post System.
3. Please refer to the education and training schedule for directors and supervisors on page 15 for further information about the continuing education of the Company's directors.
4. The Company established the Remuneration Committee at the end of 2011.
5. The Company established the Audit Committee at the end of 2022.

Note 1: If the director or supervisor is a corporation, the name of the corporate shareholder and its representative should be filled in.

Note 2: (1). If a director or supervisor vacates his or her position before the end of the year, the date of vacating the position should be indicated in the Remarks column. The actual attendance rate (%) should be calculated based on the number of meetings of the Board of Directors and the actual number of attendance during his or her employment.

(2). If a director or supervisor is re-elected before the end of the year, the new or existing director or supervisor should be listed and the date of re-election should be indicated in the Remarks column. The actual attendance rate (%) is calculated based on the number of meetings of the Board of Directors and the actual number of attendance during the term of his or her employment.

Implementation Status of Board Evaluations

Cycle (Note 1)	Period (Note 2)	Scope (Note 3)	Method (Note 4)
Once a year	Board of Directors', Individual Board Members, Audit Committee and Remuneration Committee's: 2024/1/1-2024/12/31	The Board, Individual Board Members, Audit Committee and Remuneration Committee	Internal self-evaluation by the Board of Directors, Board members, Audit Committee and Remuneration Committee

Item	Description (Note 5)	Results
Board of Directors' Performance Evaluation	Participation in the Company's operations, the quality of board decisions, the composition and structure of the board of directors, the selection and continuing education of directors, and internal control.	Each director conducts in accordance with the relevant laws and regulations and performs his or her duties and responsibilities. In the future, the self-evaluation questionnaire will be adjusted in a timely manner according to the needs of the Company to carry through the corporate governance.
Individual Director Performance Evaluation	Alignment of the Company's objectives and tasks, directors' awareness of their duties and responsibilities, their participation in the Company's operations, internal relationship management and communication, the directors' professionalism and continuing education, and internal control.	Each director conducts in accordance with the relevant laws and regulations and performs his or her duties and responsibilities. In the future, the self-evaluation questionnaire will be adjusted in a timely manner according to the needs of the Company to carry through the corporate governance.
Audit Committee	Participation in company operations, awareness of functional committee duties and responsibilities, quality of functional committee decision making, composition and selection of functional committee members, internal control.	Each committee member conducts in accordance with the relevant laws and regulations and performs his or her duties and responsibilities. In the future, the self-evaluation questionnaire will be adjusted in a timely manner according to the needs of the Company to carry through the corporate governance.
Remuneration	Participation in company	Each committee member conducts in

Committee's Performance Evaluation	operations, awareness of functional committee duties and responsibilities, quality of functional committee decision making, composition and selection of functional committee members, internal control.	accordance with the relevant laws and regulations and performs his or her duties and responsibilities. In the future, the self-evaluation questionnaire will be adjusted in a timely manner according to the needs of the Company to carry through the corporate governance.

Note 1: The periodicity of execution of the Board of Directors' evaluation, e.g., once a year.

Note 2: The period covered by the Board of Directors' evaluation, e.g., the evaluation of the Board of Directors' performance from January 1, 2024 to December 31, 2024.

Note 3: The scope of evaluation includes the performance evaluation of the board of directors, individual board members and functional committees.

Note 4: The method of evaluation includes internal self-evaluation by the board of directors, self-evaluation by board members, peer evaluation, the appointment of external professional organizations, experts or other appropriate methods for performance evaluation.

Note 5: The evaluation content includes at least the following items according to the scope of the evaluation:

(1) Board of directors' performance evaluation: At least the participation in the Company's operations, the quality of board decisions, the composition and structure of the board of directors, the selection and continuing education of directors, and internal control, etc.

(2) Board members' performance evaluation: At least the alignment of the Company's objectives and tasks, directors' awareness of their duties and responsibilities, their participation in the Company's operations, internal relationship management and communication, the directors' professionalism and continuing education, and internal control, etc.

(3) Functional committee's performance evaluation: At least the participation in company operations, awareness of functional committee duties and responsibilities, quality of functional committee decision making, composition and selection of functional committee members, internal control, etc.

(II) Operation of the Audit Committee

The board of directors met 5 times in 2024 (A, note 2), and the attendance of independent directors in the meetings is as follows:

Title	Name	Number of attendance in person (B)	Percentage of attendance in person (%) [B/A] (Note 1)	Remarks
Independent directors	Ho, Kuo-Chen	5	100%	There were 5 meetings in 2024
	Jang, Jr-Yan	3	60%	
	Chen, Lung-Tai (took office on 2022/6/23)	5	100%	

Other matters recorded:

I. Where any of the following circumstances occurs with respect to the operations of the Audit Committee, the date on which the Audit Committee holds a meeting, the session, the details of the motions, the dissenting or qualified opinions, or details of major suggestions by Independent Directors, the resolutions from the Audit Committee, and the Company's measures in accordance with the Audit Committee's recommendations, shall be specified:

(I). Items specified in Article 14-5 of the Securities and Exchange Act: See the table below for detail

Type/Motion date	Motion content	Resolution	The Company's handling of Audit Committee members' opinions
1th term 10th meeting 2024.03.14	1.Internal Audit Business Report 2.Assessment of the Effectiveness of Internal Control System and Statement of Internal Control for the Year 2023 3.The Company's Standalone and Consolidated Financial Statements for the Year 2023 4.Change of Certifying CPA Due to Internal Reorganization of PricewaterhouseCoopers Taiwan 5.Appointment and Remuneration of Certifying CPA for the Year 2024, and Evaluation of Their Independence and Competency 6.Proposal for Distribution of 2023 Earnings – Cash Dividends 7.Proposal for Distribution of 2023 Earnings 8.2023 Business Report of the Company	Passed by the approval of all attendant members	Submitted to the Board of Directors for discussion
1th term 11th meeting 2024.05.13	1.Internal Audit Business Report 2.The Company's	Passed by the approval of all	Submitted to the Board of

	Consolidated Financial Statements for the First Quarter of 2024	attendant members	Directors for discussion
1th term 12th meeting 2024.08.12	1.Internal Audit Business Report 2. Other Important Reports 3. The Company's Consolidated Financial Statements for the Second Quarter of 2024	Passed by the approval of all attendant members	Submitted to the Board of Directors for discussion
1th term 13th meeting 2024.11.12	1.Internal Audit Business Report 2. Other Important Reports 3.The Company's Consolidated Financial Statements for the Third Quarter of 2024 4.Proposal to Establish the Company's "Sustainable Information Management Procedures" and Amend the Internal Control System and Internal Audit Implementation Rules – For Audit Committee Discussion 5.The Company's Internal Audit Plan for the Year 2025	Passed by the approval of all attendant members	Submitted to the Board of Directors for discussion
1th term 14th meeting 2024.12.17	1.Communication Report between the Accountant and the Corporate Governance Unit and Management Team 2.Internal Audit Business Report 3. Other Important Reports	Passed by the approval of all attendant members	Submitted to the Board of Directors for discussion
1th term 15th meeting 2025.03.13	1.Communication Report between the Accountant and the Corporate Governance Unit and Management Team 2.Internal Audit Business Report	Passed by the approval of all attendant members	Submitted to the Board of Directors for discussion

	3. Other Important Reports 4.Proposal for the Assessment of the Effectiveness of Internal Control System and the Statement of Internal Control for the Year 2024 5.The Company's Standalone and Consolidated Financial Statements for the Year 2024 6.Proposal for Pre-approval of the List of Non-Assurance Services to Be Provided by the Certifying CPA Firm 7.Proposal for Distribution of 2024 Earnings – Cash Dividends 8.Proposal for Distribution of 2024 Earnings 9.The Company's 2024 Business Report 10.Amendment to the Company's "Procedures for Acquisition or Disposal of Assets" 11.Amendment to the Company's "Procedures for Endorsements and Guarantees" 12.Amendment to the Company's "Audit Committee Charter" 13.Proposal for the Company's Subsidiary to Acquire Solar Photovoltaic Power Generation Equipment Projects Held by the Company's Energy Division		

(II). In addition to matters above, other resolutions that have not been approved by the Audit Committee but have been passed by a vote of two-thirds or more of the entire board of directors: none

II. In the implementation of an independent director's recusal for being an interested party in a proposal, the independent director's name, the proposal content, the recusal reasons and his or her participation in voting should be stated: None

III. Communication between independent directors and the chief internal auditor and CPAs (must include material matters of communication, methods, results relating to the Company's financial position and business performance).

(I). The chief auditor prepares monthly audit reports that are submitted to independent directors for review, and independent directors have not held any dissenting opinions.

(II) The accountants regularly communicate financial statement audit results with independent directors, and the independent directors have not held any dissenting opinions

Note 1: (1). If a director or supervisor vacates his or her position before the end of the year, the date of vacating the position should be indicated in the Remarks column. The actual attendance rate (%) should be calculated based on the number of meetings of the Board of Directors and the actual number of attendance during his or her employment.

(2). If a director or supervisor is re-elected before the end of the year, the new or existing director or supervisor should be listed and the date of re-election should be indicated in the Remarks column. The actual attendance rate (%) is calculated based on the number of meetings of the Board of Directors and the actual number of attendance during the term of his or her employment.

(III). The Company's implementation of corporate governance and the differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.

Evaluation item	Descriptions (Note)			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons.
	Yes	No	Summary description	
I. Has the Company formulated and disclosed its corporate governance practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies"?	V		The Company has established the Corporate Governance Best Practice Principles	No difference.
II. The Company's shareholder structure and interest protection				No difference for all.
(I). Has the Company established internal operating procedures to handle shareholder recommendations, doubts, disputes and litigations, and implemented them in accordance with the procedures?	V		The Company has not established internal procedures to handle shareholders' suggestions, questions, disputes and litigation matters, but the Company's spokesperson and acting spokesperson are responsible for handling such affairs.	
(II). Does the Company have a list of the major shareholders who actually control the Company and those who ultimately have control over the major shareholders?	V		The Company keeps track of the shareholdings of the directors, managerial officers and major shareholders and declares their shareholdings on a regular basis.	
(III). Has the Company established and implemented risk control and firewall mechanisms between affiliated enterprises?	V		The management responsibilities of the Company and its affiliates are clearly delineated, and each affiliates operates independently, in accordance with the regulations of the Securities and Futures Bureau.	
(IV). Has the Company formulated internal regulations to prevent insiders from trading securities using undisclosed information on the market?	V		The Company has established the Procedures for Handling Material Inside Information.	
III. Composition and responsibilities of the Board of Directors				
(I). Does the Board of Directors develop and implement a diversity policy, specific management goals and objectives for the composition of the Board members?	V		The members of the Company's Board of Directors are based on the scale of the Company's operation and development, the practical needs of the Company, and the diversity of the Company's Board of Directors, and the professional background, education, independence, and related professional	No difference.

Evaluation item	Descriptions (Note)			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons.
	Yes	No	Summary description	
			qualifications.	
(II). In addition to the Remuneration Committee and the Audit Committee established in accordance with the law, has the Company voluntarily set up other functional committees?	V		The Company has established a Remuneration Committee and Audit Committee and other functional committees will be established in accordance with the relevant laws and regulations and the actual needs of the Company.	At present, there are no functional committees other than the Remuneration Committee and the Audit Committee.
(III). Has the Company established measures for evaluating the performance of the Board of Directors and its evaluation method, and conducts performance evaluation annually and regularly, and submits the results of performance evaluation to the Board of Directors for reference of individual director's salary, remuneration and nomination for reappointment?	V		On December 11, 2019, the Company established the Board of Directors' Self-Evaluation Measures and conducted the directors' self-evaluation starting in 2020. The results of the performance evaluation will be reported to the Board of Directors and used as a reference for individual directors' salary and remuneration.	No difference.
(IV). Does the Company regularly evaluate the independence of the attesting CPAs?	V		The Company has established a Remuneration Committee, and other functional committees will be established in accordance with the relevant laws and regulations and the actual needs of the Company. The Board of Directors periodically evaluates the independence of the attesting CPAs on an annual basis based on the "Attesting CPAs' Independence Evaluation Form", which includes the following items. 1. Whether there is any direct or material indirect financial interest between the appointed CPAs and the Company. 2. Whether the appointed CPAs have significant close business relationships with the audit case. 3 Whether the appointed CPAs have a potential employment relationship with the Company. 4. Whether the co-practicing CPAs who have stepped down within one year hold a position as a director, supervisor, or managerial officer of the Company or have a significant influence on the audit case. 5. Whether the non-audit services provided by the appointed CPAs to the Company will directly affect the important items of the audit case.	No difference.

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Descriptions (Note)</th><th rowspan="2">The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons.</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>The Company’s internal evaluation of the independence of the attesting CPAs did not reveal any matters that might affect the independence of the CPAs and was submitted to the 10th meeting of the 19th Board of Directors on 2024/3/14 for approval.</td><td></td></tr>
<tr><td>IV. Does the Company as a listed enterprise have a suitable and appropriate number of corporate governance personnel and appoint a corporate governance officer to be responsible for corporate governance related matters (including but not limited to providing information necessary for directors and supervisors to perform their business, assisting directors and supervisors in complying with laws and regulations, conducting board meeting and shareholder meeting related matters in accordance with the law, handling company registration and alteration registration, and preparing minutes of board meetings and shareholder meetings, etc.)?</td><td>V</td><td></td><td>The Company’s Board of Directors resolved on March 24, 2021 to designate the vice president of the Finance Department, Lee, Ming-Guen, as the corporate governance officer to be responsible for corporate governance related matters (including but not limited to providing information necessary for directors and supervisors to perform their business, assisting directors to comply with laws and regulations, conducting board meeting and shareholder meeting related matters in accordance with law, handling company registration and alteration registration, and preparing minutes of board meetings and shareholder meetings, etc.).
Education and training for the corporate governance officer in2024
<table>
<tr><th>Course organizer</th><th>Course name</th><th>Training date</th></tr>
<tr><td rowspan="4">Securities and Futures Institute</td><td>Relevant Laws and Regulations for Boards of Directors under the Wave of ESG</td><td>2024/09/06</td></tr>
<tr><td>Strategies and Planning for Sustainable Development of Listed Container Companies</td><td>2024/09/11</td></tr>
<tr><td>Shareholders' Meetings, Operating Rights and Equity Strategies</td><td>2024/09/11</td></tr>
<tr><td>Facts of Establishment of the Offenses of Directors' and Supervisors' Breach of Trust and Specialized Breach of Trust</td><td>2024/09/26</td></tr>
</table></td><td>No difference.</td></tr>
</table>

Evaluation item	Descriptions (Note)			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons.
	Yes	No	Summary description	
V. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.) and a special section for stakeholders on the Company's website, and responded appropriately to important corporate social responsibility issues that are of concern to stakeholders?	V		Communication and coordination will be carried out by dedicated departments and units. The Company's website publishes the telephone numbers and email addresses of the spokesperson and acting spokesperson.	No difference.
VI. Has the Company appointed a professional stock affairs agency to handle matters for shareholder meetings?	V		Handled by the Company's stock affairs agency - President Securities Corporation, Stock Affairs Agency Department	No difference.
VII. Information disclosure				No difference for all.
(I). Has the Company set up a website to disclose finance and business matters and corporate governance information?	V		The company's website has a special section for important information, financial information, and stock affairs information.	
(II). Has the Company adopted other means of information disclosure (such as setting up an English website, appointing dedicated personnel responsible for collecting and disclosing Company information, implementing a spokesperson system, and posting the Company's earnings calls on its website, etc.)?	V		The Company has set up an English website, designated a dedicated person responsible for collecting and disclosing company information, and implemented the spokesperson system.	
(III). Does the Company publicly announce and file annual financial statements within two months after the end of the fiscal year, and the financial statements for the first, second and third quarters and the monthly operating status before the prescribed deadline?	 V	V	The Company announces and reports its annual financial statements within three months after the fiscal year. The Company announces and reports its first, second, and third quarter financial statements and operations for each month by the prescribed deadlines.	
VIII. Does the Company have other important	V		Labor Relations: Please refer to page 99.	No difference.

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Descriptions (Note)</th><th rowspan="2">The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons.</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td>information that is helpful to understand its implementation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, continuing education of directors and supervisors, implementation of risk management policies and risk measurement standards, implementation of customer policies, the Company’s purchase of liability insurance for directors and supervisors, etc.)?</td><td></td><td></td><td>Continuing educations of directors and supervisors: Please refer to page 15
Implementation of risk management policies and risk measurement standards: Please refer to Risks on page 116.</td><td></td></tr>
<tr><td colspan="5">IX. Please describe the improvements that have been made in response to the corporate governance evaluation results issued by the Corporate Governance Center of the Taiwan Stock Exchange in the most recent year, and propose priorities and measures for those not yet improved: 1. In accordance with regulations, the Company has adopted electronic voting since 2018. 2. The retirement system and work environment of employees are recorded and disclosed in the annual report and company website.</td></tr>
</table>

Note 1: The state of operations, no matter if "Yes" or "No" are checked, should be stated in the summary description.

(IV) If the Company has a remuneration committee, it should disclose its composition, duties and operations.

1. Information on members of the Remuneration Committee

April 30,2025

Position (Note 1)	Criteria / Name	With at least five years of work experience and the following professional qualifications(Note 2)	Status of independence(Note 3)	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Independent director	Ho, Kuo-Chen	Department of Accounting, Soochow University Director of KNH ENTERPRISE CO., LTD. There are no cases under Article 30 of the Company Act, Please refer to page 7.	Satisfy the requirements of Article 14-2 of "Securities and Exchange Act" and "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies' issued by Taiwan's Securities and Futures Bureau.	None
Independent director	Jang, Jr-Yan	Drexel University Master of Science There are no cases under Article 30 of the Company Act, Please refer to page 7.	Satisfy the requirements of Article 14-2 of "Securities and Exchange Act" and "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies' issued by Taiwan's Securities and Futures Bureau.	None
Others	Wu, Gui-Long	Soochow University. Master of Business and Economics. President of HRFUN MANAGEMENT CONSULTANT CO.	Satisfy the requirements of Article 14-2 of "Securities and Exchange Act" and "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies' issued by Taiwan's Securities and Futures Bureau.	None

Note 1: Please specify the relevant years of service, professional qualifications and experience, and independence of each member of the Compensation Committee in the form. If you are an independent director, please note that you are an independent director or other (if you are a convener, please add a note).

Note 2: Professional Qualifications and Experience: Specify the professional qualifications and experience of individual compensation committee members.

Note 3: Independence status: The independence status of the members of the Compensation Committee is specified, including but not limited to whether they are directors, supervisors or employees of the Company or its affiliates; the number and proportion of shares held by them (or in the name of others); whether they are directors, supervisors or employees of the Company or its affiliates; whether they are directors, supervisors or employees of the Company or its affiliates; and whether they have served as directors, supervisors or employees of the Company or its affiliates for the last two years. Whether he/she is a director, supervisor or employee of a company with a specific relationship with the Company (refer to Article 6, Paragraph 1, Paragraphs 5 to 8 of the Regulations Governing the Establishment and Exercise of Powers and Functions of Compensation Committees of Companies Trading on Securities Firms); the amount of remuneration received for the provision of business, legal, financial and accounting services by the Company or its affiliates in the last two years.

Note 4: Please refer to the best practice reference examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange for disclosure methods.

2. Information on the operations of the Remuneration Committee

Remuneration Committee Meeting Date	Motion Content and Resolution	Remuneration Committee members have opposing or reserved opinions.
5th term 5th meeting 2024.3.11	The Company's 2024 managerial officers promotion and salary increase.	None
	The amount of bonus remuneration for directors and the amount of bonus remuneration for employees for 2023, and the distribution measure rules of bonus remuneration for employees for 2023.	None
	Remuneration Committee's opinions: None	
	Remuneration Committee Resolution: All members present agreed and offered it to the Board of Directors for discussion.	
	The Company's handling of the remuneration committee's opinion: All directors present agreed.	
5th term 6th meeting 2024.12.9	The Company's 2024 year-end bonus distribution rules.	None
	Remuneration Committee's opinions: None	
	Remuneration Committee Resolution: All members present agreed and offered it to the Board of Directors for discussion.	
	The Company's handling of the remuneration committee's opinion: All directors agreed.	

(1) There are 3 members in the Remuneration Committee of the Company.

(2) Members' terms of office: 01 July, 2022 to 22 June, 2025, the most recent Remuneration Committee met 2 times (A), and the attendance of the members are as follows:

Title	Name	Number of attendance in person (B)	Attendance by proxy	Percentage of attendance in person (%) (B/A) (Note)	Remarks
Convener	Ho, Kuo-Chen	2	0	100%	
Member	Jang, Jr-Yan	2	0	100%	
Member	Wu, Gui-Long	2	0	100%	

Other matters recorded:

I. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, it should specify the date, period, proposal content, resolution of the board, and its handling of the committee's opinions (if the remuneration approved by the board is better than the recommendation proposed by the committee, the difference and reasons should be specified): Not applicable.

II. For the proposals by the Remuneration Committee. If any members have objections or reservations with records or written statements, the date, period, proposal content, the opinions of all members, its handling of the members' opinions should be specified: No applicable.

III. Description of the scope of capacity of the members.

The Remuneration Committee is responsible to the Board of Directors for assisting the Board of Directors in evaluating the Company's overall remuneration and benefits policies, as well as the remuneration for directors, and senior managerial officers, which are reviewed by the Remuneration Committee and submitted to the Board of Directors for resolution.

The Remuneration Committee proposes to the Board of Directors a Remuneration policy structure and bonus distribution suggestion based on the performance evaluation of senior managerial officers, their responsibilities, the salary and remuneration offered by the Company to equivalent positions in recent years, and the salary levels of similar positions in the sector.

Note : (1) If a member of the Remuneration Committee leaves the Company before the end of the year, the date of departure should be indicated in the Remarks column. The actual attendance rate (%) is calculated based on the number of meetings of the Remuneration Committee and his or her actual attendance during his or her employment.

(2) If there is a re-election of the Remuneration Committee before the end of the year, both new and old members of the Committee should be listed, and the date of re-election should be indicated in the Remarks column. The actual

attendance rate (%) is calculated based on the number of meetings of the Remuneration Committee and the actual number of attendance during the term of his or her employment.

(V) The Performance of Corporate Social Responsibility and differences from the "Corporate Social Responsibility Best Practice Principles for TWSE or TPEx Listed Companies", and the reason

Evaluation item	The state of operations (Note 1)			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE or TPEx Listed Companies", and the reason
	Yes	No	Summary description	
I. Has the Company set up a full-time (part-time) unit to promote corporate social responsibility, together with senior management authorized by the Board of Directors to handle related matters and report to the board on the handling of the matters?	V		The Company has established a governance structure to promote sustainable development, which is headed by the Chairman of the Board of Directors, and has set up working groups based on various aspects, such as the Climate Change Group, the Corporate Governance Group, the Employee Care Group, the Public Relations Group, the Environmental Sustainability Group, and the Product/Customer Relationship Group.	No difference.
II. Does the Company conduct risk evaluations on environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 2)	V		The Company has established a corporate social responsibility policy and implemented an environmental management system ISO-14001, ISO-45001 & CNS 45001, ISO-14064-1, and has set up a dedicated department to monitor, audit and evaluate the performance of environmental management implementation.	No difference.
III. Environmental issues (I) Has the Company set up an appropriate environmental management system based on the characteristics of its industry?	V		1. The Company introduced environmental management system (ISO 14001) and occupational safety and health (ISO 45001 & CNS 45001) management systems, and has set up a dedicated department to supervise, check and evaluate the performance of environmental management implementation. In addition, we regularly identify and review the significant environmental impacts and potential causes of the existing business practices every year, and further control them. 2. The company is committed to the spirit of continuous improvement to reduce pollution and improve the utilization of resources, and is subject to regular and irregular audits by the competent authorities and external parties to ensure the implementation of our environmental management system.	No difference.
(II) Is the Company committed to improving resource utilization efficiency and using recycled materials with	V		1. From FY2019, the Company has been gradually improving the boilers and ancillary equipment (storage tanks and pipelines) in the West 2 and West 5, and	No difference.

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">The state of operations (Note 1)</th><th rowspan="2">The differences from the “Corporate Social Responsibility Best Practice Principles for TWSE or TPEx Listed Companies”, and the reason</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td>low impact on the environment?</td><td></td><td></td><td>replace the existing heavy fuel oil (No. 4-6) with industrial low sulfur fuel oil (palm oil) from FY2020. Since there are no more chemicals stored in the tanks that need to be kept warm, the boiler system is only on standby and not in use, and the company still maintains regular inspections of the boilers. In FY2024, the results of the self-assessment of air pollutants of the boilers of the West 2 and West 5 tanks met the emission standards of the boilers (particulate matter: 30 mg/Nm^3, sulfur oxides: 50 ppm, nitrogen oxides: 100 ppm).</td><td></td></tr>
<tr><td>(III) Does the Company evaluate the potential risks and opportunities of climate change to the Company now and in the future, and take corresponding measures to respond to climate related issues?</td><td></td><td>V</td><td>The Company is gradually incorporating climate change issues into the organization's scenario analysis matrix and assessing related risks and opportunities, and the subsequent planning measures are described below:
1. In accordance with the climate-related financial disclosures (TCFD) officially released by the Financial Stability Board (FSB) of the G20 International Economic Cooperation Forum in 2017, our company had engaged a professional consulting team to assist in the implementation of TCFD by the end of 2021 and updated the relevant information in the annual report of 2023.
2. Following the Financial Supervisory Commission’s official launch of the Sustainable Development Roadmap for listed companies in March 2021, the Company plans to implement the greenhouse gas (GHG) inventory management system (ISO 14064-1) in FY2024, and to complete a carbon inventory in FY2023 (with carbon emissions of 1,150.998 metric tons of CO_2e). It is expected that the validation of the greenhouse gas inventory will be completed in FY2028 and the related results will be disclosed in the subsequent annual report.</td><td>The study and planning are in progress.</td></tr>
<tr><td>(IV) Does the Company make statistics on greenhouse gas emissions, water consumption and the total weight of waste for the past two years, and formulate policies for energy conservation and carbon reduction, greenhouse gas reduction, water consumption reduction or other waste management?</td><td></td><td>V</td><td>1. The results of direct emissions of air pollutant emissions from the West 2 and West 5 Troughs of Taichung Port for the years 2023 to 2024 are reported in the following table:
Taichung Port West 2 terminal
<table>
<tr><th>Category \ Year</th><th>2023</th><th>2024</th><th>Units</th></tr>
<tr><td>Particulate matter</td><td>0.02</td><td>0.00</td><td rowspan="4">tons</td></tr>
<tr><td>Sulfur oxides</td><td>0.01</td><td>0.00</td></tr>
<tr><td>Nitrogen oxides</td><td>0.40</td><td>0.00</td></tr>
<tr><td>Volatile organic</td><td>17.12</td><td>22.12</td></tr>
</table></td><td>The study and planning are in progress.</td></tr>
</table>

Evaluation item	The state of operations (Note 1)			The differences from the “Corporate Social Responsibility Best Practice Principles for TWSE or TPEx Listed Companies”, and the reason
	Yes	No	Summary description	

matter			

Taichung Port West 5 terminal

Category \ Year	2023	2024	Units
Particulate matter	0.00	0.00	tons
Sulfur oxides	0.00	0.00	
Nitrogen oxides	0.00	0.00	
Volatile organic matter	20.77	46.68	

2. The following table shows the disposal of business waste in Taichung Port West 2and West 5 terminals for the years 2023 to 2024:

Taichung Port West 2 terminal

Category \ Year	2023	2024	Units
Hazardous business waste	55.38	39.29	tons
General business waste	6.25	4.63	
General business waste (waste oil-water mixture)	0	0	
Waste solvent recycling (Note)	3.21	0	
Note: The waste solvents collected in Taichung Port West 2 terminal in FY2023 were delivered to customers for reuse in the plant to achieve the benefit of resource recycling.			

Taichung Port West 5 terminal

Category \ Year	2023	2024	Units
Hazardous business waste	1.73	1.16	tons
General business waste	4.68	3.33	
General business waste (waste oil-water mixture)	0	0	

3. The following table shows the statistical information of water and electricity consumption in Taichung Port West 2and West 5 terminals from 2023 to 2024:

Taichung Port West 2 terminal

Category \ Year	2023	2024	Units
Water	8,029	3,019	tons

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">The state of operations (Note 1)</th><th rowspan="2">The differences from the “Corporate Social Responsibility Best Practice Principles for TWSE or TPEx Listed Companies”, and the reason</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>consumption</td><td></td><td></td><td></td></tr>
<tr><td>Electricity consumption</td><td>946,760</td><td>920,240</td><td>Kw/hr.</td></tr>
</table>
Taichung Port West 5 terminal
<table>
<tr><th>Year / Category</th><th>2023</th><th>2024</th><th>Units</th></tr>
<tr><td>Water consumption</td><td>6,521</td><td>4,010</td><td>tons</td></tr>
<tr><td>Electricity consumption</td><td>1,287,200</td><td>1,216,400</td><td>Kw/hr.</td></tr>
</table>
4. The Company has introduced a greenhouse gas inventory management system (ISO 14064-1) for indirect energy emissions in 2024, and is expected to complete the verification of the greenhouse gas inventory in 2028, and then discuss the adjustment of the Company's quality, environmental, and occupational safety and health policies to incorporate policies or targets related to greenhouse gas, energy, resources, and waste reduction.</td><td></td></tr>
<tr><td>IV. Social issues
(I) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations as well as the International Bill of Human Rights?</td><td>V</td><td></td><td>The Company complies with the relevant regulations of labor laws, establishes internal management rules and administrative procedures, and regularly holds labor-related laws briefings to protect the rights and interests of employees.

1. Monitor and maintain equipment regularly to ensure workplace safety.
2. Conduct regular inspections and replacements of drinking water, lighting and fire-fighting equipment in the workplace.
3. Provide labor safety and health education training courses regularly to enhance employee’s safety awareness.
4. To ensure compliance with labor laws and gender work equality regulations and setup breastfeeding rooms to meet the needs of employees.
5. Regular employee health checkups.
6. Provide health education seminars from time to time to promote physical and mental health of employees; contracting medical staff to provide health consultation services on-site.
7. Labor laws and regulations are followed, and are clearly defined in the work rules and related personnel regulations.
8. We record employees' attendance and overtime work in the IT system, and pay overtime according to the law.</td><td>No difference.</td></tr>
<tr><td>(II) Whether the Company has formulated and implemented</td><td>V</td><td></td><td>The company provides excellent salary and benefits, which reference to the Consumer</td><td>No difference.</td></tr>
</table>

Evaluation item	The state of operations (Note 1)			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE or TPEx Listed Companies", and the reason
	Yes	No	Summary description	
reasonable employee welfare measures (including remuneration, vacation and other benefits, etc.), and appropriately reflects operating performance or results in employee remuneration?			Price Index of the Comptroller's Office. In addition, the Company offers year-end bonuses and employee compensation depending on operational results, and issues employee stock dividends; there are various benefits such as three festivals gifts, birthday gifts, wedding gifts, maternity subsidies, funeral subsidies, employee travel allowances, health check-up subsidies, and group insurance for employees, etc., to retain and attract outstanding talents to join the company and implement humane management and various welfare measures.	
(III)Does the Company provide employees with a safe and healthy working environment and related education?	V		The Company attaches great importance to the health and safety of employees, and has signed a contract with the Tungs' Taichung Metro Harbor Hospital, a medical association, for contracted medical treatment and health checkups for current employees; and has entrusted Sheng Meili Health Management Consulting Co.	No difference.
(IV) Has the Company established an effective career development training program for employees?	V		In order to make employees grow together with the company, we set up an annual internal and external education and training schedule with the goal of training outstanding talents; encourage employees to apply for external education and training courses to improve their work skills, enhance the ability of all parties, and increase the competitiveness of the organization, so that the career development of employees can grow in tandem with corporate management.	No difference.
(V) Does the Company comply with relevant laws and regulations and international standards regarding customer health and safety, customer privacy, marketing and labeling of products and services, and establish relevant customer rights protection policies and complaint procedures?	V		1. The company has established policies such as the "Code of Conduct with Integrity" and "Code of Ethical Conduct", and a stakeholder area on the Company's website to respond appropriately to customer complaints and their concerns about related rights and interests. 2. The Company has established a supplier management policy that requires suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor human rights, which is posted on the Company's website.	In line with the sustainable development best practices, with no significant discrepancies.
(VI) Has the Company formulated supplier management policies requiring suppliers to follow relevant regulations on environmental protection, occupational safety and health, or labor rights, and monitor their implementation?	V		1. The Company has established procurement and supplier management procedures, and has defined the principles of contractor selection, including environmental protection and occupational safety and health related regulations, and complies with the relevant regulations of the Occupational Safety and Health Act to ensure that each contractor complies with occupational safety and health and labor related issues. 2. The Company has established procurement and supplier management procedures, and plans to conduct supplier evaluation on a	In line with the sustainable development best practices, with no significant discrepancies.

Evaluation item	The state of operations (Note 1)			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE or TPEx Listed Companies", and the reason
	Yes	No	Summary description	
			regular basis every year, and to classify and manage suppliers according to the evaluation results, and to temporarily or permanently cancel the supplier qualifications of contractors with poor evaluation results (D and E grades). In the supplier evaluation for the year 2024, no suppliers were rated as grade C or below.	
V. Does the Company make reference to international reporting standards or guidelines to prepare corporate social responsibility or other reports that disclose non-financial information about the Company? Has the assurance or opinion from third-party certifying institutions been obtained for the aforementioned reports? .		V	The Company has not made reference to international reporting standards or guidelines to prepare corporate social responsibility or other reports that disclose non-financial information about the Company.	The study and planning are in progress.
VI. If the Company has related practice principles of its own in accordance with the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies", please state the differences between the two and the state of implementation: No significant difference.				
VII. Other important information that is helpful to understand the implementation of corporate social responsibility: The Company has passed ISO14001, ISO45001 & CNS45001 and ISO14064-1, and always focus on environmental protection and energy saving, aiming at contributing to the global environmental protection.				

Note 1: If "Yes" is checked for implementation, please specify the important policies, strategies and measures adopted and their implementation. If "No" is checked for implementation, please explain the differences and reasons in the "Differences from the Code of Practice for Sustainable Development of Listed Companies and Reasons for Differences" column, and explain the plans for future implementation of relevant policies, strategies and measures.

Note 2: Materiality refers to environmental, social and corporate governance issues that have a significant impact on the Company's investors and other stakeholders.

Note 3: Please refer to the best practice reference examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange for disclosure methods.

(VI) Climate-Related Information

1.Implementation of Climate-Related Information

ITEM	The Status of operations
1. Describe the board of directors' and management's oversight and governance of climate-related	In order to identify and properly manage the company's climate-related risks and opportunities, the company's Sustainability Committee is chaired by the Chairman of the Board of Directors and has an executive unit of the Climate Change Group. The executive unit of the Climate Change Group is responsible for identifying and managing climate change risks and opportunities and reporting the results of risk and opportunity identified and developing control measures to the Chairman

<table>
<tr><td>ITEM</td><td colspan="6">The Status of operations</td></tr>
<tr><td>risks and opportunities.</td><td colspan="6">of the Board of Directors at the annual Senior Management Meeting of the Sustainability Committee.
The Sustainability Committee regularly reports to the Board of Directors on the climate risks faced by the company and the measures taken to address them, so that the Board of Directors can adequately monitor climate risk issues, decide on relevant management policies and review the implementation status.
In May 2023, the Company reported to the Board of Directors on the climate risk and response measures faced.</td></tr>
<tr><td rowspan="3">2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).</td><td colspan="2">Risks and Opportunities</td><td>Issues</td><td>Description of company impact</td><td>Period</td><td>Response</td></tr>
<tr><td>Risk of switching business</td><td>Market</td><td>Uncertainty Market</td><td>Customers demand products and services that exceed the requirements of established environmental standards and ask companies to tighten environmental requirements.
If we are unable to provide or meet these requirements, we may lose some of our market share.</td><td>Long-term</td><td>We keep an eye on market information, industry dynamics and new technology development in order to grasp the market trend dynamic and direction, so as to develop a response plan.</td></tr>
<tr><td>Risk of switching business</td><td>Market</td><td>Changes in customer behavior</td><td>In the future, customers may require the company to set energy saving and carbon reduction targets, disclose environmental performance data and strategies (e.g. greenhouse gas emissions, deforestation and water security</td><td>Mid-term</td><td>Through annual customer satisfaction survey at the end of each year, and regular / irregular customer audits, we keep in touch with our customers in order to grasp their requirements on emerging issues and communicate fully to reach a practical consensus.</td></tr>
</table>

ITEM	The Status of operations					
				risks, etc.) or adjust operational processes and upgrade equipment/services as a basis for supplier evaluation, which may lead to changes in procurement policies and may result in increased operating costs or reduced profit margins for the company.		
	Risk of switching business	Government Policy and regulations Risks	Carbon Pricing	The Company is a service industry, not a manufacturing industry and has no manufacturing process, so the amount of greenhouse gas emissions should be limited, and the actual amount will be confirmed by inventory. The current government policy is to include those who emit more than 25,000 tons of carbon per year as the first wave of carbon levy targets, which is expected to be implemented in	Long-term	Continued to monitor regulatory progress (size and cost of businesses to be levied). Designing GHG monitoring procedures, hiring GHG monitoring & recording staff, and planning carbon inventory and third-party verification schedules.

ITEM	The Status of operations					
				2026.		
	Physical Risk	Emergency Risk	Enhanced wind speed under normal weather conditions	Due to high wind speed, there is a risk that the luminaires/shades and trunking covers may be damaged and fall down, causing delays in the progress of existing maintenance work or an increased risk of crashes when personnel are engaged in operations.	Long-term	Review the weather resistance of the equipment, make engineering improvements, or upgrade the equipment to improve the toughness of the tank facilities. Prohibit or suspend contractors from engaging in elevated operations when wind speed exceeds force 8 on the Beaufort scale.
	Opportunities	Products and Services	Renewable Energy demand Increased	If the company partially uses renewable energy or lower carbon emission fuels in its operation, it should be able to mitigate the impact of increasing energy prices due to carbon taxes/fees in the future.	Long-term	The company will assess what renewable energy or low-carbon fuels can be used in the operation process after the carbon inventory.
			Develop or expand low-carbon products and services	At present, there is no other Taichung port storage industry that has carried out carbon inventory and other actions. If the company is the first to introduce it, it means that the	Mid-term	The ISO 14064 greenhouse gas inventory management system is expected to be implemented by 2026.

ITEM	The Status of operations

			added value of our services to customers will be enhanced and our competitiveness will increase.		

3. Describe the financial impact of extreme weather events and transformative actions.

Risks or Opportunities Issue	Operating Impact	Financial Impact
Uncertainty Market & Changes in customer behavior	We are unable to provide products and services that exceed the requirements of established environmental standards in a timely manner.	Decline in operating revenue
	Our customers use special chemical raw materials that require more stringent material storage and transfer requirements.	Rising Operating Costs
	Reduced demand for petrochemical storage tanks in response to climate change and reduced use of petrochemical products.	Decline in operating revenue
Carbon Pricing	The fee is payable annually.	Rising Operating Costs
Enhanced wind speed under normal weather conditions	The wind speed was too strong to close the port, causing customers to lose material.	Decline in operating revenue
	Damage to equipment caused by excessive wind speed.	Rising Operating Costs
	High wind speed causes environmental pollution or casualties	Rising Operating Costs
Renewable Energy demand Increased	Some of electricity will be generated from renewable energy sources in the future.	Decline in operating Costs
	Renewable energy sales.	Rising Operating revenue
Develop or expand low-carbon products and services	The company has introduced carbon inventory and energy saving and carbon reduction measures to enhance the value of its services.	Rising Operating revenue

4. Describe how climate risk

In 2022, the Company introduced the Climate Risk and Opportunity Identification Mechanism, which provides a comprehensive inventory

ITEM	The Status of operations
identification, assessment, and management processes are integrated into the overall risk management system.	and assessment of the impact of climate change risk and opportunity issues on the Company's operations based on different time horizons, the likelihood of occurrence of the issues and the degree of impact on operations through the Climate Change Risk and Opportunity Matrix.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	Business as Usual (BAU) Scenario Climate Change Risk - Uncertainty Market & Changes in customer behavior： In response to climate change, more and more investors or competitors are entering new markets or technology, leading to increased competition in the market or less profitable product sales than expected. With climate change or increased awareness of climate change, customers' preferences for products/services may change, resulting in a change in purchasing policies, and if we did not available or compliant, may lose some market share. The above potential impact costs represent approximately 96.69% of the total financial impact. Climate Change Risk - Carbon Pricing：Under the BAU scenario, the financial impact of the carbon fee required to comply with the regulation under the future Taiwan Climate Change Act is simulated for the expected business development in 2025, and the potential impact cost is about 0.60% of the total financial impact. Climate Change Risk - Stronger wind speed under normal weather conditions： The closure of the port due to strong winds caused customers to lose materials and caused damage to plant equipment, resulting in an increase in operating costs, and the above potential impact costs accounted for approximately 2.71% of the total financial impact Net Zero Scenario Climate Change Risk - Uncertainty Market & Changes in customer behavior：In response to climate change, more and more investors or competitors are entering new markets or technology, leading to increased competition in the market or less profitable product sales than expected. With climate change or increased awareness of climate change, customers' preferences for products/services may change, resulting in a change in purchasing policies, and if they are not available or compliant, they may lose some market share. The above potential impact costs represent approximately 95.23% of the total financial impact. Climate Change Risk - Carbon Pricing： In the Net Zero scenario, assuming future global warming is limited to

ITEM	The Status of operations
	1.5°C to 2°C. The financial impact of the carbon fee required to comply with regulatory requirements under the Net Zero scenario, simulating expected business development in 2025, the potential impact cost of the above is approximately 2.09% of the total financial impact Climate Change Risk - Stronger wind speed under normal weather conditions： The above potential impact costs represent approximately 2.67% of the total financial impact due to the closure of the port due to strong winds, which may cause customers to lose materials and cause damage to plant equipment.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	The boilers in West 2 and West 5 have been implemented the boiler energy saving plan, which is to use palm oil instead of heavy oil from 2020, and have been fully replaced in 2021.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	Non-use of internal carbon pricing as a planning tool.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant	We have planned carbon footprint verification and external verification schedule. We have implemented ISO 14064-1 greenhouse gas verification management system, and conducted carbon footprint verification in the same year. After that, we will set carbon reduction goal.

ITEM	The Status of operations
targets, the source and quantity of carbon credits or RECs to be offset should be specified.	
9. Greenhouse gas inventory and assurance status (separately fill out in point 1-1 below).	The study and planning are in progress.

1-1. Verification of Greenhouse Gas Emissions and external verification<< The provisions are not applicable as the time limit set forth in Article 10, paragraph 2 has not been reached yet>>

1-2 Greenhouse Gas Reduction Targets, Strategies and Specific Action Plans<< The provisions are not applicable as the time limit set forth in Article 10, paragraph 2 has not been reached yet>>

(VII) The Company's implementation of ethical corporate management and the differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor:

Evaluation item	The state of operations (Note 1)			The differences from the Corporate Ethical Management for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary description	
I. Formulate ethical corporate management policy and plan (I). Has the Company formulated an ethical corporate management policy approved by the Board of Directors, and are the policy and practice of ethical corporate management stated in the Company's regulations and external documents, as well as the commitment of the Board of Directors and the senior management to actively implement the policy?	V		The Company has established the "Ethical Management Policy" approved by the Board of Directors. In addition, the "Management Philosophy" section of the company's website expresses the following principles of sustainable management and social responsibility: We will do our business with the belief of being diligent, responsible, ethical and practical, and pursue long-term profitability to reward our shareholders. At the same time, as a member of society, the Company will fulfill its corporate social responsibility to promote harmony and understanding between the Company and other social citizens.	No significant differences
(II). Whether the Company has established a mechanism for	V		The Company has the Ethical Corporate Management Best Practice	No significant differences

Evaluation item	The state of operations (Note 1)			The differences from the Corporate Ethical Management for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary description	
evaluating the risk of unethical conduct, regularly analyzes and evaluates the activities in the scope of business with a higher risk of unethical conduct, and based on this, has formulated a plan to prevent unethical conduct, which covers at least the preventive measures for the conduct set out in Paragraph 2 of Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?			Principles that expressly prohibit unethical conduct and our managerial officers have signed confidentiality and integrity agreements.	
(III) Whether the Company has specified operating procedures, conduct guidelines, and disciplinary and complaint systems for violations in the plan to prevent unethical conduct and implemented the plan as well as regularly review and amend it?	V		The Company always promotes the principles of corporate ethics and employee honesty and trustworthiness, and includes them in the employee performance evaluation.	No significant differences.
II. The implementation of ethical corporate management				
(I) Does the Company evaluate the ethical records of its counterparties and specify the ethical conduct clauses in the contracts signed with the counterparties?	V		All of our procurement and storage tank leasing contracts have integrity clauses; before establishing business relationships with others, we will evaluate the legality and integrity of their operations to ensure fair business practices.	No significant differences.
(II) Does the Company have a dedicated unit under the Board of Directors to promote ethical corporate management and report regularly (at least once a year) to the Board of Directors on its ethical management policy and plan to prevent unethical conduct and monitor their implementation?	V		The Company's President's Office. Administration Division and Human Resources Department are promoting them. The Company always promotes the principles of corporate ethics and employee honesty and trustworthiness, and includes them in the employee performance evaluation. We also encourage our directors, supervisors and employees to make suggestions at any time.	No significant differences .
(III) Does the Company have a policy to prevent conflict of interest, provide appropriate channels for explanation, and implement it?	V		The company has "Employee Time", a complaint hotline, and a complaint mailbox, which are administered by the General Manager's Office. Administration Division and the Human Resources Department.	No significant differences.
(IV) Whether the Company has established an effective accounting system and internal control system for the implementation of ethical corporate management, and the internal audit unit draws up relevant audit plans based on the evaluation results of risk of unethical conduct, and audits the compliance of the plan to prevent unethical conduct or entrusts a	V		The Company has established an effective accounting system and internal control system, which are regularly audited by the internal audit. . .	No significant differences.

Evaluation item	The state of operations (Note 1)			The differences from the Corporate Ethical Management for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary description	
CPA to perform the audit? (V) Does the Company regularly organize internal and external education and training on ethical corporate management?		V	The Company does not yet hold regular internal and external education and training on ethical corporate management, but promotes it from time to time at appropriate meetings.	No significant differences.
III. The Company's whistleblower reporting system (I) Has the Company set up a specific whistleblower reporting and reward system, a convenient reporting channel, and designated appropriate personnel to deal with the reported matters?	V		The company has "Employee Time", a complaint hotline, and a complaint mailbox, which are administered by the President's Office. Administration Division and the Human Resources Department.	No significant differences.
(II) Has the Company formulated standard operating procedures for the investigation of the reported matters, follow-up measures to be taken after the completion of the investigation, and the relevant confidentiality mechanisms?	V		All whistleblower reports are encrypted and managed by human resources electronic file records.	No significant differences.
(III) Whether the Company takes measures to protect whistleblowers from being improperly handled due to reporting?	V		Under the principle of secret investigation, we will continue to follow up on the subsequent development and make sure that the whistleblower does not suffer from being ostracized due to whistleblowing.	No significant differences
IV. Enhance Information Disclosure (I) Does the Company disclose the content and effectiveness of its Ethical Corporate Management Principles on its website and the Market Observation Post System?	V		The Company had disclosed "Articles of Incorporation & Major Bylaws" section on the company website.	No significant differences.
V. If the Company has related practice principles of its own in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", please state the differences between the two and the state of implementation: No significant difference.				
VI. Other important information that is helpful to understand the implementation of ethical corporate management (For example, if the Company reviews and amends its ethical corporate management principles.): The Company has been promoting its determination in ethical corporate management to its business partners.				

Note 1: The state of operations, no matter if "Yes" or "No" are checked, should be stated in the summary description.

(VIII) Other important information that is helpful to understand the Company's implementation of corporate governance should be disclosed altogether:

The Company has established the "Procedures for Managing Insider Trading and Handling Material Inside Information" and has informed all employees, managerial officers and directors of these procedures after they have been established. It has reinforced them during the training of new employees.

(IX) Implementation of internal control systems

1. Statement of internal control system

The Company states the following for its 2024 internal control systems based on the results of self-evaluation:

I. The Company is aware that establishing, implementing and maintaining an internal control system is the responsibility of the Company’s Board of Directors and managerial officers, and the Company has established this system. Its purpose is to provide reasonable assurance of the achievement of objectives such as the effectiveness and efficiency of operations (including profitability, performance and asset security, etc.), the reliability, timeliness, and transparency of reporting, as well as compliance with relevant rulings, laws and regulations, etc.

II. Internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide a reasonable assurance of the achievement of the above three objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the Company’s internal control system has a self-monitoring mechanism. Once a defect is identified, the Company will take corrective actions.

III. The Company determines the effectiveness of the design and implementation of its internal control system in accordance with the criteria of the effectiveness of the internal control system stipulated in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The criteria of the internal control system adopted in the "Regulations" are based on the process of managerial control and divide the internal control system into five components: 1. control environment, 2. risk evaluation, 3. control operations, 4. Information and communication, and 5. Monitoring operations. Each component consists of a number of items. Please refer to the "Regulations" for these items.

IV. The Company has adopted the aforementioned criteria of the internal control system to evaluate the effectiveness of the design and implementation of its internal control systems.

V. Based on the evaluation results of the preceding paragraph, the Company believed that the design and implementation of its internal control system were effective as of December 31, 2024 (including the supervision and management of subsidiaries), with an understanding of the extent to which the objectives of effectiveness and efficiency of operations were achieved, whether the reporting was reliable, timely, transparent, and if the compliance with relevant rulings, laws and regulations is met, and a reasonable assurance of the achievement of these objectives.

VI. This statement will become the main content of the Company’s annual report and prospectus, and will be made public. If the above-mentioned disclosures have falsehood or concealment, legal liability under Articles 20, 32, 171 and 174 of the Securities and Exchange Act will be incurred.

VII. This statement was approved by the Company’s Board of Directors on March 13, 2025, with 7 directors present and no objections, and all agreed with the content of this statement and declared here.

Prime Oil Chemical Service Corporation

Chairman Liao, Shu-Chun signed herein

President Yeh, Tang-Jung signed herein.

2. Where a CPA was entrusted to review the internal control system, the review report should be disclosed: None.

(X) Major resolutions of the shareholder meetings and Board of Directors in the most recent year up to the day of the publication of the Annual Report.

1. Resolutions of the 2024 shareholders' meeting and its update.

(1) The Company's 2023 annual financial statements.

(2) The Company's 2023 earnings distribution proposal:

On June 21, 2024, the Board of Directors set July 17, 2024 as the ex-dividend date. In accordance with Article 165 of the Company Act, the registration of stock transfers was suspended from July 13, 2024 to July 17, 2024, and the cash dividends were paid on August 8, 2024.

(3) Adoption of the amendment of the Company's "Articles of Association" and "Rules of Procedure for Shareholders' Meeting".

update:

It has been announced on the Company's website.

2. Board of directors

Type	Motion date	Motion content
19th term 10th meeting	2024.03.14	1. Communication Report between the Accountant and the Corporate Governance Unit and Management Team 2. Minutes of the last meeting and the its implementation 3. Important financial and business reports 4. Internal audit work reports 5. Other important reporting matters 6.The Company's "evaluation of the effectiveness of the Company's internal control system" and the "statement of internal control system" for 2023 7. The distribution of 2023 bonus remuneration for employees and bonus remuneration for directors 8. The Company's standalone financial statements and consolidated financial statements for 2023 9. The Company changed its certified public accountants to meet the needs of the internal organizational restructuring of AICPA. 10. Appointment and Remuneration of the Company's 2024th Annual Certified Public Accountants and Evaluation of Their Independence and Suitability 11.To discuss the distribution of cash dividends for the earnings of fiscal year 2023 in our company 12.Distribution of earnings for the fiscal year 2023 of our company 13.The Company's 2023 business report 14. Resolution of the 5rd meeting of the 5th Compensation 15. Self-evaluation report on the performance of the Remuneration Committee, the Audit Committee, the Board of Directors and the members of the Board of Directors for 2023 16. Amendment to the Company's Articles of Incorporation 17. Amendment to the Company's "Rules of Procedure for Shareholders' Meeting" 18. Amendment to the Company's "Rules of Procedure for Board of Directors Meetings" 19. Amendment to the Company's "Audit Committee Charter" 20. Amendment to the Company's "Rules for Performance Evaluation of Board of Directors" 21.Matters related to the convening of the Company's 2024 regular shareholders' meeting 22. Announcement of acceptance of written proposals from shareholders for the 2024 regular shareholders' meeting 23. Progress report on the Company's greenhouse gas inventory to be submitted to the Board of Directors for discussion and control on a quarterly basis
19th term 11th meeting	2024.05.13	1. Minutes of the last meeting and the its implementation 2. Important financial and business reports 3. Internal audit work reports

Type	Motion date	Motion content
		4. Other important reporting matters 5. Consolidated financial statements for the first quarter of fiscal year 2024 6. Progress report on the Company's greenhouse gas inventory, to be submitted to the Board of Directors for discussion and control on a quarterly basis 7. Report on the acceptance of shareholders' right to make written proposals at the Company's annual general meeting for fiscal year 2024 8. Application for credit facilities from financial institutions by the Company
19th term 12th meeting	2024.08.12	1. Minutes of the last meeting and the its implementation 2. Important financial and business reports 3. Internal audit work reports 4. Other important reporting matters 5. The Company's consolidated financial statements for the second quarter of fiscal year 2024 6. The Company intends to take out liability insurance for its directors and managers 7. A progress report on the Company's greenhouse gas inventory for discussion by the board of directors and quarterly controls
19th term 13th meeting	2024.11.12	1. Minutes of the last meeting and the its implementation 2. Important financial and business reports 3. Internal audit work reports 4. Other important reporting matters 5. The Company's consolidated financial statements for the three-month period ended March 31, 2024 6. Updating the Company's “Sustainable Information Management Practices” and the implementation details of the internal control system and internal audit, for discussion by the Board of Directors 7. The Company's internal audit plan for the year ending March 31, 2025 8. Progress report on the Company's greenhouse gas inventory, for discussion by the Board of Directors, and for control on a quarterly basis 9. Application for a letter of credit from the Company's financial institutions
19th term 14th meeting	2024.12.17	1. Communication Report between the Accountant and the Corporate Governance Unit and Management Team 2. Minutes of the last meeting and the its implementation 3. Important financial and business reports 4. Internal audit work reports 5. Other important reporting matters 6. The Company's business plan for fiscal year 2025 7. Resolutions of the 6th Meeting of the 5th Session of the

Type	Motion date	Motion content
		Compensation Committee of the Company 8. Report on the Company's greenhouse gas inventory for discussion by the Board of Directors and quarterly control 9. Application for a credit facility by the Company from financial institutions
19th term 15th meeting	2025.03.13	1. Communication Report between the Accountant and the Corporate Governance Unit and Management Team 2. Minutes of the last meeting and the its implementation 3. Important financial and business reports 4. Internal audit work reports 5. Other important reporting matters 6. The "Assessment of the Effectiveness of the Internal Control System" and the "Statement of Internal Control System" for the year ended December 31, 2024 7. Employee compensation and remuneration to directors for the year ended December 31, 2024 8. Individual and consolidated financial statements for the year ended December 31, 2024 9. The Company intends to pre-approve the appointment of a certified public accountant to provide a list of unreliable services 10. Proposal for Distribution of 2024 Earnings in Cash Dividends — For Discussion 11. Proposal for Distribution of 2024 Earnings 12. The Company's 2024 Business Report 13. Resolutions of the 7th Meeting of the 5th Term Compensation Committee 14. 2024 Self-Evaluation Reports on the Performance of the Compensation Committee, Audit Committee, Board of Directors, and Board Members 15. Amendment to the Company's Articles of Association 16. Amendment to the Company's "Procedures for Acquisition or Disposal of Assets" 17. Amendment to the Company's "Procedures for Endorsements and Guarantees" 18. Amendment to the Company's "Audit Committee Charter" 19. Amendment to the Company's "Stock Affairs Management Guidelines" 20. Election of Directors (Including 3 Independent Directors) 21. Matters Relating to the Convening of the 2025 Annual General Meeting of Shareholders 22. Announcement on the Acceptance of Shareholder Proposals for the 2025 Annual General Meeting 23. Procedures for the Nomination of Director (Including Independent Director) Candidates 24. Proposal to Approve the Nomination and Review of Director (Including Independent Director) Candidates by the Board of

Type	Motion date	Motion content
		Directors 25. Greenhouse Gas Inventory Report — For Board Discussion and Quarterly Monitoring 26. The Company's Credit Facility Application to Financial Institutions 27.Proposal for the Company's Subsidiary to Acquire Solar Power Generation Facilities Held by the Company's Energy Division (hereinafter referred to as the "Project")

(XI) If the directors or supervisors have different opinions on the resolutions reached by the Board of Directors with a record or written statement made in the most recent year and up to the printing date of the annual report, please state the content of the opinion: None.

IV. Certified public accountant (CPA) fee information

Unit: Thousands of NTD

CPA firm	CPA name	Audit period	Audit fee	Non-audit fee	Total	Remarks
PwC, Taiwan	Huang,Pei-Chuan	2024.01.01~ 2024.12.31	1,678	622 (Note 1)	2,300	
	Lin, Yung-Chih					

Note 1: Including Business Agent and Free Tarde Zone consulting program, tax visa service and other tax services, etc.

The Company shall disclose the following if any of the following occurs.

(I) Where the audit fee paid in the year of the replacement of CPA firm is less than the audit fee in the year before the change, the amount of audit fees before and after replacement should be disclosed and the reasons: None.

(II) Where the audit fee has decreased by 10% or more from the previous year, the amount, percentage and reason for the decrease in the audit fee should be disclosed: No such situation.

V. Information on the replacement of CPAs for the most recent two years and subsequent periods:

(I) About the predecessor CPAs:

<table>
<tr><td>Date of change</td><td colspan="5">March 14, 2024</td></tr>
<tr><td>Reason for Replacement</td><td colspan="5">Due to accounting firm’s job rotation in accordance to relevant regulations, the CPA Huang,Pei-Chuan & Pan, Hui-Ling replaced by Huang,Pei-Chuan & Lin, Yung-Chih since Q1 2024.</td></tr>
<tr><td rowspan="3">Descriptions whether the Company terminated or the CPA did not accept the appointment</td><td colspan="2">Parties
Status</td><td colspan="2">CPA</td><td>The Company</td></tr>
<tr><td colspan="2">Termination of appointment</td><td colspan="2">—</td><td>—</td></tr>
<tr><td colspan="2">No longer accepted (continued) appointment</td><td colspan="2">—</td><td>—</td></tr>
<tr><td>Other than unqualified issues in the audit reports within last two years</td><td colspan="5">None</td></tr>
<tr><td rowspan="6">Differences with the Company</td><td rowspan="4">Yes</td><td colspan="2">—</td><td colspan="2">Accounting principles or practices</td></tr>
<tr><td colspan="2">—</td><td colspan="2">Disclosure of Financial Statements</td></tr>
<tr><td colspan="2">—</td><td colspan="2">Audit scope or steps</td></tr>
<tr><td colspan="2">—</td><td colspan="2">Others</td></tr>
<tr><td>None</td><td colspan="4">V</td></tr>
<tr><td colspan="5">Descriptions</td></tr>
<tr><td>Other Revealed Matters (Required to be disclosed by Accounting Standards Article 10 paragraph 6 section 1-4 to section 1-7)</td><td colspan="5">None</td></tr>
</table>

(II) About the successor CPAs:

Accounting Firm	PwC, Taiwan
Name of CPA	Huang,Pei-Chuan & Lin, Yung-Chih
Date of appointment	March 14, 2024
Consulting results regarding accounting methods or accounting principles to specific transactions or opinions on the financial statements before appointment	None
Successor CPA written disagreements to former CPA	None

(III) The reply of former CPAs on Article 10.6.1 and Article 10.6.2.3 of the Standards: None

VI. If any of The Company’s chairman, president, or managerial officers involved in financial or accounting affairs have been employed by the CPAs’ firm or any of its affiliated enterprises within the recent year; their names, job titles, and the periods during which they were employed by the CPAs’ firm or its affiliated enterprises should be disclosed: None.

VII. Changes in transfer and pledge of shares by directors, supervisors, managerial officers and shareholders with more than 10% shareholding in the most recent year up to the publication date of this annual report.

Title	Name	2024		2025 up to April 30	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged	Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged
Chairman	Liao, Shu-Chun	-	-	-	-
Director	Chen, Yung-Chin	-	-	-	-
	ABACUS DISPLAY INFINITY CORPORATION (Major shareholders with more than 10%)	-	-	-	-
	Zen, Hong-Tzeng	-	-	-	-
	Yeh, Tang-Jung (The Company's President)	-	-	-	-
	Ho, Kuo-Chen	-	-	-	-
	Jang, Jr-Yan	-	-	-	-
	Chen, Lung-Tai	-	-	-	-
Senior vice president	Su, Kung-Ming	-	-	-	-
Senior vice president	Jia, Shu-Kai	-	-	-	-
Vice president	Hsu, Chien	-	-	-	-
Vice president	LIN,Chih-Lung	-	-	-	-
Vice president	Liang, Shyh-Chuan	-	-	-	-
Vice president	Sun, Li-Min(Retired 11/25/2024)	-	-	-	-
Treasurer	Lee, Ming-Guen	-	-	-	-
Controller	Huang, Yi-Yin	-	-	-	-

Note 1: The relationship among the shareholders, including legal person and natural person, in the preceding paragraph should be disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Information on the transfer of equity to related parties from directors, supervisors, managerial officers or major shareholders with more than 10% equity: None

Information on the pledge of equity to related parties from directors, supervisors, managerial officers or major shareholders with more than 10% equity: None

VIII. Information on the top ten shareholders who are related to each other.

April 12, 2025

Name	Shareholding by the individual		Shareholding of spouse and minor children		Total shareholding in the name of others		The name of and relationship among the top 10 shareholders if anyone is a related party under Statements of Financial Accounting Standards No. 6
	Shares	Shareholding Percentage %	Shares	Shareholding Percentage %	Shares	Shareholding Percentage %	Name and relationship
ABACUS DISPLAY INFINITY CORPORATION Representative: Liao, Shu-Chun	32,171,849	41.33%	-	-	-	-	-
Tai Yu Investment Co., Ltd. Representative: Change, Bao-Luo	3,812,345	4.90%	-	-	-	-	-
COHERENCE INTERNATIONAL CORP Representative: CRAWFORD INVESTMENT LIMITED	3,082,591	3.96%	-	-	-	-	-
Wu, Jun-Ze	789,179	1.01%	-	-	-	-	-
I,Hao-Chun	785,000	1.01%	-	-	-	-	-
Road Mine Co., Ltd. Representative: Cai, Lu-Fa	633,487	0.81%	-	-	-	-	-
TU, Ming-Ju	500,000	0.64%	-	-	-	-	-
Chang, Chien-Chun	332,650	0.43%	-	-	-	-	-
Deep & Far Consultants, Inc. Representative: Tsai, Yu-LI	325,059	0.42%	-	-	-	-	-
Chang, An-Tai	317,369	0.41%	-	-	-	-	-

Note 1: The names of shareholders should be listed separately. The names of corporate shareholders and their representatives should be listed separately.

Note 2: The calculation of the shareholding percentage refers to the total shareholding in the name of the individual, spouse, minor children or others, respectively.

Note 3: The relationship among the shareholders, including legal person and natural person, in the preceding paragraph should be disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

IX. Consolidated shareholding percentage:

Unit: Share; % April 30, 2025

Invested enterprise (Note)	Investment by the Company		Investment by directors, supervisors, managerial officers, and enterprises controlled either directly or indirectly		Consolidated investment	
	Shares	Shares Ratio	Shares	Shares Ratio	Shares	Shares Ratio
He Zhen Feng Co., Ltd.	69,468	69%	30,532	31%	100,000	100%
Prime Holdings Corporation	30,000	100%	-	-	30,000	100%
Prime Solar Energy Co. Ltd	1,700,000	100%	-	-	1,700,000	100%
ABZBRIDGE CORPORATION	10,000	28.35%	-	-	10,000	28.35%
Chang Fu Feng Co., Ltd.	223,000	100%	-	-	223,000	100%
Yu Feng Green Energy Co., Ltd.	6,300,000	100%	-	-	6,300,000	100%
Kun Feng Green Energy Co., Ltd	100,000	100%	-	-	100,000	100%
Kuan Tai Green Energy Co., Ltd.	100,000	100%	-	-	100,000	100%
An Feng Green Energy Co., Ltd	5,000,000	100%	-	-	5,000,000	100%

Three. Capital Raising

I. Source of capital:

April 30, 2025

Year and month	Issue price	Authorized capital		Paid-in capital		Remarks		
		Number of shares (share)	Amount (NTD)	Number of shares (share)	Amount (NTD)	Source of capital	Using property other than cash as payment of shares	Others
1978.08	10	20,000,000	200,000,000	20,000,000	200,000,000	Founding capital	None	By the Ministry of Economic Affairs on 1978.10.11 Approved for establishment
1978.11	10	20,500,000	205,000,000	20,500,000	205,000,000	Cash capital increase $5,000,000	None	By the Ministry of Economic Affairs on 1978.12.30 Approved for capital increase
1979.09	10	21,500,000	215,000,000	21,500,000	215,000,000	Cash capital increase $10,000,000	None	Approved by the Ministry of Economic Affairs on 1979.11.13 with letter Jing-Xin-Zi No. 16262
1983.10	10	23,112,500	231,125,000	23,112,500	231,125,000	Capital increase from earnings $16,125,000	None	Approved by the Ministry of Economic Affairs on 1983.11.17 with letter Jing-Xin-Zi No. 24479
1986.11	10	36,000,000	360,000,000	36,000,000	360,000,000	Cash capital increase $128,875,000	None	Approved by the Ministry of Economic Affairs on 1987.01.09 with letter Jing (1987) Shang No. 00904
1987.10	10	52,000,000	520,000,000	52,000,000	520,000,000	Cash capital increase $160,000,000	None	Approved by the Securities and Futures Institute on 1987.09.20 with letter Tai-Cai-Zheng (I) No. 15785
1988.11	10	80,000,000	800,000,000	80,000,000	800,000,000	Cash capital increase $280,000,000	None	Approved by the Securities and Futures Institute on 1988.09.23 with letter Tai-Cai-Zheng (I) No. 9094
1997.12	10	160,000,000	1,600,000,000	123,000,000	1,230,000,000	Cash capital increase $430,000,000	None	Approved by the Securities and Futures Institute on 1997.10.13 with letter Tai-Cai-Zheng (I) No. 74644
2006.04	1.12	200,000,000	2,000,000,000	181,900,000	1,819,000,000	Capital Increase of $65,968,000 by private placement	None	April 28, 2006 was the base date for the capital increase and the payment was completed.
2006.06	1.97	200,000,000	2,000,000,000	197,130,000	1,971,300,000	Capital Increase of $30,003,100 by private placement	None	June 26, 2006 was the base date for the capital increase and the payment was completed.

Year and month	Issue price	Authorized capital		Paid-in capital		Remarks		
		Number of shares (share)	Amount (NTD)	Number of shares (share)	Amount (NTD)	Source of capital	Using property other than cash as payment of shares	Others
2007.08		200,000,000	2,000,000,000	68,995,500	689,955,000	Capital reduction $1,281,345,000	None	Approved with letter Jin-Guan-Zheng I No. 0960026346
2008.09	10	200,000,000	2,000,000,000	70,030,432	700,304,320	Capital Increase of $10,349,320	None	Approved with letter Jin-Guan-Zheng I No. 0970033019
2009.08		200,000,000	2,000,000,000	69,034,432	690,344,320	Retirement of treasury stock of $9,960,000	None	Approved with letter Jin-Guan-Zheng-Jiao No. 0980034692
2022.08	10	200,000,000	2,000,000,000	77,834,432	778,344,320	Cash capital increase $88,000,000	None	Approved with letter Jin-Guan-Zheng-Fa No. 1110350278

Note 1: Current year information as of the publication of the annual report should be filled in.
Note 2: The effective (approval) date and document number should be added for capital increase.
Note 3: Issue of shares at a price lower than the par value should be marked in a prominent way.
Note 4: Payment of shares by monetary debts or technology should be specified and the type and amount should be added.
Note 5: Issue of shares by private placement should be marked in a prominent way.

Type of shares	Authorized capital					Remarks
	Issued shares			Unissued shares	Total	
	TWSE-listed	Not TWSE-listed	Total			
Common stock	77,834,432	0	77,834,432	122,165,568	200,000,000	

Information on a shelf registration system

Type of marketable securities	Scheduled issue amount		Issued amount		Purpose of issue and expected benefits of the issued portion	Scheduled issue period for the unissued portion	Remarks
	Total number of shares	Authorized amount	Shares	Price			
Not applicable							

II. List of major shareholders

April 12, 2025

Shares / Name of major shareholder	No. of shares held	Shareholding percentage %
ABACUS DISPLAY INFINITY CORPORATION Representative: Liao, Shu-Chun	32,171,849	41.33%
Tai Yu Investment Co., Ltd. Representative: Change, Bao-Luo	3,812,345	4.90%
COHERENCE INTERNATIONAL CORP Representative: CRAWFORD INVESTMENT LIMITED	3,082,591	3.96%
Wu, Jun-Ze	789,179	1.01%
I, Hao-Chun	785,000	1.01%
Road Mine Co., Ltd. Representative: Cai, Lu-Fa	633,487	0.81%
TU, Ming-Ju	500,000	0.64%
Chang, Chien-Chun	332,650	0.43%
Deep & Far Consultants, Inc. Representative: Tsai, Yu-LI	325,059	0.42%
Chang, An-Tai	317,369	0.41%

III. Results of Dividend policy

1. Dividend policy of the Company.
   Article 27 of the Articles of Association:
   If the Company makes a profit in a year, it shall set aside not less than 3% as the bonus remuneration for employees and not more than 5% as the bonus remuneration for directors. However, if the Company still has accumulated losses, it should cover the amount in advance.
   The aforementioned employees' remuneration can be paid in the form of stock or cash, and may be paid to employees of subordinate companies who meet certain criteria. The employee bonus remuneration distribution measure shall be in accordance with the resolution of the board of directors.
   If there is net profit after tax for the current period in the Company's annual final accounts, the following order shall apply:
   (I) Cover amount of losses.
   (II) Appropriating 10% as the legal reserve, except when the legal reserve has reached the paid in capital of the Company,
   (III) If a special reserve is set aside or reversed in accordance with other laws and regulations, the balance and the undistributed earnings at the beginning of the same period will be distributable earnings, and the Board of Directors shall, in accordance with the dividend policy set forth in Article 28 of these Articles of Association, prepare an earnings distribution plan and submit it to the shareholders' meeting for resolution of distribution.
   The Company authorizes the Board of Directors to distribute the distributable dividends and bonuses, and all or part of the capital reserve or legal reserve in cash via a resolution in a Board of Directors with the presence of more than two-thirds of the directors and the consent of more than half of the directors present; the provisions of the preceding paragraph requiring a resolution by a shareholders' meeting shall not apply.
   Article 28 of the Articles of Association:
   The Corporation is currently in the maturity stage of its industry. The dividend policy takes into account the Corporation 's operational growth, long-term financial planning, capital requirements for investment activities, and consideration of shareholders' rights and interests, as well as the sound financial structure and the possible dilutive effect of earnings per share. Shareholders' dividends are allocated from the accumulated distributable earnings, and shall not be less than 10% of the distributable earnings of the current fiscal year, with cash dividends not less than 30% of the total cash and stock dividends distributed in the year. However, in case the distributable earnings per share for the current fiscal year are less than NT$0.5, dividends may not be distributed.
2. The proposed dividend distribution at the shareholders' meeting: Cash dividend of NT$1 per share.

IV. The effect of the stock dividends proposed at the shareholders' meeting on the Company's operating results and earnings per share

Unit: NTD

Item			2025 (Estimated)
Paid-in capital at the beginning of the period			778,344,320
Stock and cash dividends for the year	Cash dividends per share		1
	Number of stock dividends per share by capital increase from earnings		-
	Number of stock dividends per share by capital increase from capital reserve		-
Changes in operating performance	Operating profit		Note 2
	Percentage of increase (decrease) in operating profit over the same period last year		
	Net profit after tax		
	Percentage of increase (decrease) in net profit after tax over the same period last year		
	Earnings per share		
	Percentage of increase (decrease) in earnings per share over the same period last year		
	Average annual return on investment (inverse of the average annual price to earnings ratio)		
Pro forma earnings per share and price to earnings ratio	If there is capital increase from earnings, all is distributed as cash dividends	Pro forma earnings per share	
		Pro forma average annual return on investment	
	If there is no capital increase from capital reserve	Pro forma earnings per share	
		Pro forma average annual return on investment	
	If there is capital increase from capital reserve but from earnings, it is distributed as cash dividends	Pro forma earnings per share	
		Pro forma average annual return on investment	

Note 1: The estimated stock and cash dividends are based on the earnings distribution proposal approved by the board of directors on March 13, 2025.

Note 2: The 2025 financial forecast is not disclosed to the public, so there is no need to disclose 2025 forecast information.

Chairman:	Managerial officer:	Accounting officer:
Liao, Shu-Chun	Yeh, Tang-Jung	Huang, Yi-Yin

V. Bonus remuneration for employees, directors and supervisors

(I) Article 27 of the Articles of Association:

If the Company makes a profit in a year, it shall set aside not less than 3% as the bonus remuneration for employees and not more than 5% as the bonus remuneration for directors. However, if the Company still has accumulated losses, it should cover amount in advance.

The aforementioned employees’ remuneration can be paid in the form of stock or cash, and may be paid to employees of subordinate companies who meet certain criteria. The employee bonus remuneration distribution measure shall be in accordance with the resolution of the board of directors.

If there is net profit after tax for the current period in the Company's annual final accounts, the following order shall apply:

(I)Cover amount of losses.

(II) Appropriating 10% as the legal reserve, except when the legal reserve has reached the paid in capital of the Company,

(III)If a special reserve is set aside or reversed in accordance with other laws and regulations, the balance and the undistributed earnings at the beginning of the same period will be distributable earnings, and the Board of Directors shall, in accordance with the dividend policy set forth in Article 28 of these Articles of Association, prepare an earnings distribution plan and submit it to the shareholders' meeting for resolution of distribution.

The Company's Board of Directors is authorized to distribute all or a portion of the dividends and bonuses, capital surplus or legal reserve in the form of cash by a resolution of the Board of Directors with two-thirds of the Board of Directors present and a majority of the Board of Directors in attendance, without regard to the foregoing requirement for a resolution by the shareholders in a shareholders' meeting.

(II) The basis for estimating the amount of bonus remuneration to employees, directors and supervisors, the basis for calculating the number of shares for employee bonus remuneration distributed in stock, and the accounting treatment if the actual amount distributed differs from the estimated amount.

The Board of Directors' meeting on March 13, 2025 approved the following proposed distribution: distribution of employees' bonus remuneration of NT$5,153,347 and directors' bonus remuneration of NT$3,929,427, which is not different from the estimated amount in the 2024 financial statement.

(III) The distribution of bonus remuneration as approved by the Board of Directors

1. Amount of employees' bonus remuneration and directors' bonus remuneration distributed in cash or stock.

2024 Unit: NTD

Bonus remuneration for employees (cash)	5,153,347
Bonus remuneration for directors (cash)	3,929,427

2. The amount of employee bonus remuneration distributed in stock and its proportion to the sum of net profits after tax and total employee bonus remuneration in the individual or standalone financial statements for the period: Not applicable.

(IV) The actual distribution of the remuneration for employees, directors and supervisors in the previous year (including the number of shares distributed, amount and share price), and if it is different from the remuneration recognized, the amount of the difference, the reason for the difference and the treatment of the difference should be disclosed: No difference.

2023 Unit: NTD

Employee bonus (cash)	2,595,096
Bonus remuneration for directors and supervisors (cash)	2,595,096

VI. Treasure Stock: Not applicable.

VII. Issuance of corporate bonds: Not applicable.

VIII. Issue of preferred shares: Not applicable.

IX. Issuance of overseas depository receipts: Not applicable.

X. Issuance of employee stock options: Not applicable.

XI. Issuance of restricted employee stocks: Not applicable.

XII. Issuance of new shares in connection with mergers or acquisitions of shares of other companies: Not applicable.

XIII. Results of capital utilization plan: As of the quarter preceding the publication of the annual report, there were no previous issues or private placements of marketable securities that have not yet been completed or have been completed within the last three years and the benefits of the plans have not yet been realized

Four. Operation overview

I. What we do

(I). Business scope

1. The Company is legally allowed to run the following businesses
    1. G801010 Warehousing
    2. JE01010 Rental and Leasing
    3. F401010 International Trade
    4. A102060 Grain Commerce
    5. D101060 Self-usage power generation equipment utilizing renewable energy industry
    6. IG03010 Energy Technical Services
    7. D401010 Heat Energy Supplying
    8. ZZ99999 All business items that are not prohibited or restricted by law
2. The Company's main products and services

    The Company's main business in recent years is chemical and oil tank storage leasing, providing storage tanks in the petrochemical terminals of Taichung Port for lease to import and export traders for storage and transfer; the Company's services include the provision of ancillary equipment, loading and unloading, quantity and quality control, industrial safety supervision, port information services, etc.

    In May 2016, the Company established the Energy Division, which focuses on looking for suitable sites for the construction of photovoltaic power generation systems and on receiving long-term revenue from the sale of electricity or leasing as its main business.
3. On July 2, 2010, the subsidiary, He Zhen Feng Co., Ltd., was established to invest in commercial real estate, and obtained outstanding results in the investment case of the Shou-Te Building in the Taipei Railway Station business district, and firmly took the first step in commercial real estate investment. In addition to continuing to search for commercial real estate with investment potential in the country, such as office buildings, vacant land, construction land, factory offices and shopping malls in science parks, etc., we also cover laws and regulations and model feasibility study in our research, such as financial instruments related to

superficies and real estate, unsafe and old buildings. In the future, the main targets are commercial real estates with better rental ROI than the market average and potential value appreciation in the Greater Taipei area. Also, we will explore overseas real estate market, such as Japan, where the political and economic environment is relatively stable.

(II) Industry overview

Chemical and oil tank storage services:

Taiwan was a petrochemical kingdom in the early days. Because Taiwan is surrounded by the sea and lacks natural resources, most of the upstream raw materials are imported from abroad and the finished goods are sold overseas. The import and export volume of goods were huge. However, only a few large petrochemical companies built their own terminals and storage tanks. Most small and medium-sized petrochemical companies or traders did not have their facilities, making the petrochemical shore tank storage service market have certain business potential.

The Port of Kaohsiung is the main trading port in Taiwan, so the petrochemical storage tanks were mainly located there. The storage terminal in Qianzhen of CPC Corporation is the largest. However, the Port of Kaohsiung is located in the south of Taiwan, which is not conducive to the petrochemical companies in the central and northern part of the island. Therefore, the petrochemical storage tanks in the Port of Taichung not only meet the needs of the central and northern part of the island but also attract many petrochemical companies to set up their plants around this area. After the construction of Formosa Plastics Corp's sixth naphtha cracker complex in Mailiao and the commissioning of the Port of Taipei, the supply and demand of petrochemical storage tanks in domestic ports have also been affected.

In recent years, Mainland China has been actively promoting the development of large-scale petrochemical complexes and strengthening the integration of the upstream and downstream supply chains of the petrochemical industry, which has attracted many Taiwanese petrochemical companies to invest there. The uncertainties of environmental protection and industrial safety issues in Taiwan have also created an outward push on the domestic petrochemical industry. Additionally, global economic growth is affected by uncertainties such as anti-globalization, which not only restricts the long-term outlook of local petrochemicals but also is unfavorable to the development of the domestic petrochemical shore tank storage service industry. At the same time, a large number of petrochemical storage tanks in Southeast Asia and China ports have started operations in recent years to provide services, and the pressure of oversupply of petrochemical storage tanks in the region has emerged.

Currently, the petrochemical storage tank companies in Taiwan not only provide their services for the domestic petrochemical industry, but also focus on the business opportunities in the entrepot trade market in Asia due to the advantageous geographical location of Taiwan. In 2011, the Executive Yuan passed the "Kaohsiung Port Intercontinental Container Center Phase II Project" to build a new petrochemical storage and transportation center on the newly reclaimed land off the Port of Kaohsiung. Some constructions are completed and started operating. It is expected to have a new impact on the overall petrochemical storage tank service industry in Taiwan.

Energy division:

Taiwan's natural resources in oil and other fossil fuels are in short supply, and its energy import dependence has been as high as 97% over the years. Increasing the proportion of renewable energy in order to reduce the dependence on energy imports has become a focus of attention for all sectors. In the future, petroleum and fossil fuels will no longer be the main source of energy. In contrast, solar power, which is environmentally friendly, will continue to increase its share of energy supply. Solar energy is environmentally friendly, non-polluting, sustainable, safe, convenient and universal. The sun can be used as a permanent source of energy for human beings, and has the advantage of being inexhaustible and inexhaustible, which has led to a booming development in recent decades. According to the Renewable Energy Report 2024 released by the International Energy Agency (IEA), more than 5,500 GW of new renewable energy capacity will be added globally between 2024 and 2030, with 95% of the new renewable energy capacity coming from solar photovoltaic (PV) and wind power; the drawbacks of this are the high cost of construction, the restriction of the installation area and the low capacity factor, and the vulnerability to fluctuation and uncertainty of the generation.

However, the disadvantages of renewable energy are high construction costs, restricted installation areas and low capacity factor, volatility and uncertainty in power generation, high initial investment and large land area required for construction.

Taiwan is an island with scarce land and a dense population. Its industrial production and economic activities are intensive and active, resulting in huge energy consumption and over 97% of energy relies on imports. The government has successively launched the two-year solar power photovoltaic promotion plan, the 2020 6.5 GW photovoltaic power attainment plan, and various rooftop and ground-mounted photovoltaic power promotion programs. Roof-mounted includes the green energy rooftop all-people participation program, to install photovoltaic on the roofs of factories in export processing zones and science parks. The ground-mounted includes the installation program in unfavorable agricultural farming areas, ponds, canals, aquaculture production areas, landfill sites, Chang Hua Costal Industrial Park Lun Wei district, salt industry land, etc. All this shows the government’s determination to promote renewable energy, and if a comprehensive inventory of idle land can be made, and the sustainable development of energy use and the environment and landscape of the installation sites can be taken into consideration, the capacity of the photovoltaic power generation system installations will grow significantly. Basically, the development and utilization of energy must be compatible with the environment in order to be sustainably developed.

In the field of photovoltaic power generation technology, scientific research teams from all over the world are competing to experiment with new materials and processes in order to pursue higher efficiency and lower cost silicon technology. Recently, after the PERC technology continues to mature, the market has gradually moved to the more efficient N-type cell technology, and tunneled heterogeneous surface solar cells are one of the key technologies that have received considerable attention in the last 2-3 years. The more forward-looking new material solar cell - "calcium titanite solar cell" for the degradation mechanism and stability enhancement; there are also teams in the world that have passed the IEC 61215 environmental accelerated aging test for calcium titanite solar modules, which shows a major breakthrough in its quality requirements for commercialization. Materials of calcium titanite solar cells are cheap, thanks to the rich supply of iodine, carbon and lead, which can be grown in water at near-boiling temperatures. Compared to traditional silicon solar cells that require 3,000 degrees Celsius refining, they require less energy, are lighter in weight and can be made into flexible modules, allowing for more diverse solar panel designs and have a conversion efficiency of 25%, which has great potential for future development.

In terms of policy, in order to achieve the target of 20% of electricity generated by renewable energy in 2025, the government has not only actively expanded various policies and mechanisms, but also passed the amendment to the “Renewable Energy Development Act” in 2019 to optimize the environment for the development of renewable energy in Taiwan and enhance the effectiveness of policy promotion. The Act was amended in three major directions: "resourcefulness", "broadening sources" and "simplification": aiming at increasing the installations of renewable energy by inducing supply through demand; relaxing the scope of renewable energy and increasing and protecting diversified ways of using green power; simplifying the application process and increasing the flexibility of grid synchronization, and solving the problem of insufficient power feeders of Taipower Company.

In the face of the global trend of greenhouse gas reduction and the vision of achieving a non-nuclear home, the government has planned a policy target of 20% of renewable energy generation by 2025, with gas increase, coal reduction and non-nuclear as the transformation path, which can ensure stable power supply and no power shortage. Led by wind power and photovoltaic, the energy transformation has already achieved initial results. In order to carry out the energy transformation with energy security, environmental sustainability and green economy in mind, the government is focusing on photovoltaic power and offshore wind power, with 5.6 GW of offshore wind power and 20 GW of photovoltaic power to be installed by 2025. The wind and light joint approach promotes energy diversification and independent supply, constructs a friendly development environment for renewable energy, and drives domestic demand and employment, demonstrating our determination to actively promote the development of green energy.

Table1: photovoltaic and wind power development goals and current status in Taiwan.

Current Status and Development Goals of New and Renewable Energy Installations in Taiwan

（Unit：MW）

	2024	2025
Photovoltaic power	14,281	20,000
Onshore wind power	927	1,200
Offshore wind power	2,963	3,000
Geothermal Energy	7	200
Biomass and Waste	750	813
Hydroelectric power	2,123	2,150
Total	21,052	27,363

Source: Bureau of Energy, MOEA

On May 29, 2012, the Legislative Yuan of Taiwan passed an amendment to the Renewable Energy Development Act, setting a target of 30GW of renewable energy by 2025.

Key points of the amendments to the Renewable Energy Development Act	
Target	Long term: 30GW by 2025
	Short term: Set renewable energy promotion targets every two years.
Encourage electricity liberalization	New buildings, additions or alterations should be equipped with a certain capacity of solar photovoltaic equipment.
OffshoreWind Power	Expanding Potential Offshore Wind Power Installations
Micro Hydropower	Encourage the inclusion of water conservancy facilities in the overall planning of micro hydroelectricity generation.
Biomass	Return of biomass plant sites to land use regulations.
Geothermal Power Generation Formulates Specific Rules and Regulations	The term of the water right has been increased from 2 to 3 years to 20 years, so that the water right matches the operating life of the power plant and reduces the uncertainty of development. After the developer applies for the right, the central government, together with local authorties and other relevant ministries, will set up a joint review mechanism to speed up the administrative procedures.
* FiT system: A contract between Taipower and renewable energy generators to acquire renewable energy generation at a fixed, preferential price guaranteed for 20 years.	
Source：https://www.ly.gov.tw/Pages/Detail.aspx?nodeid=33324&pid=229668	

(III) Technology and Research & Development overview:

In terms of the petrochemical tank storage service industry, the management technology and related ancillary equipment are well-established. To maintain the high quality of services, reduce the risk of occupational safety, minimize unnecessary loss of customer goods, and avoid the risk of leakage or quality variation of goods, POCS firstly focuses on the professional training of staff. In addition to implementing various management systems, such as ISO9001, ISO14001, ISO45001 & CNS45001, and becoming a member of the CDI-T (Chemical Distribution Institute - Terminal), we also help our employees to obtain relevant licenses, supplemented by various internal and external professional training courses, as well as case studies of abnormalities or accidents inside and outside the factory, so that our front-line employees can internalize their behavioral safety awareness into all operational processes, in order to maintain their operational safety and provide high-quality professional services to our customers.

Furthermore, POCS sets up appropriate budgets every year to maintain the best suitability of the overall system. We also introduce new technologies and facilities step by step, such as the integration of control room instrumentation and control systems, new methods of storage tank maintenance, smart tank farms, etc., in order to modernize the existing tank storage software and hardware facilities and their service processes.

With respect to the Energy Division, the Company is focusing on the development of solar power generation systems. The supply chain of the solar industry is complete in Taiwan, from upstream to downstream. We will make full use of this advantage to create high quality photovoltaic power generation systems for our customers with high standard construction quality, and supplemented by a power generation smart monitoring system to manage the power generation equipment at various locations in real-time to respond to the unexpected incident of each power generation system as soon as possible, so as to generate long-term stable income from electricity sales or leasing.

We will keep abreast of the technology and product developments in the solar industry and work closely with quality EPC (Engineering, Procurement, and Construction) vendors to ensure long-term stable system power output.

The Company will continue to pay attention to the development of renewable energy technologies other than solar energy, such as micro hydropower and energy storage system, in order to establish a new ecological renewable energy value chain.

(IV) Long and short term business development plans.

Chemical and oil tank storage services:

- Short term goals
  (1) Achieve the company’s annual revenue target.
  (2) Maintain customer satisfaction and the relationship with existing loyal customers.
  (3) Explore new business models to create growth opportunities by addressing customer needs.
  (4) Meet customer and market demands responsively and become the client’s best storage service partner.

(5) Continuously monitor the global and East Asian petrochemical markets to identify risks and opportunities, and develop strategies accordingly.
(6) Implement the successor project to strengthen management efficiency and effectiveness.

- Medium term goals
  (1) Continuously improve customer satisfaction, create differentiation with quality services, and develop high quality customers.
  (2) Identify collaborative opportunities related to the current business and invest in new tank farms or expand existing one.
  (3) Improve employee management skills for future development.
  (4) Continue the connection with the international community and look for overseas cooperation opportunities.
- Long term goals
  (1) Stabilize Tank Storage Service Division's revenue to meet Prime Oil Chemical Service Corporation 50-year target.
  (2) Continue to deepen the relationships with quality customers and establish a long term cooperation model.
  (3) Enhance and improve organizational capabilities to meet future development.

Energy division:

- Short term plan
  (1)Cooperate with EPC corporation to jointly develop large photovoltaic power generation systems to accelerate the business and revenue growth.
  (2)Purchase the existing completed field cases to reduce the time of construction and application related process.
  (3)Establish long term relationships with high-quality EPC vendors to ensure the quality, cost, schedule, and reliability of operation and maintenance of photovoltaic power generation systems.
  (4)Continuous optimization of existing site management processes and introduction of new maintenance technologies to enhance the return on investment of the power generation system.
  (5)Effectively utilize and manage the photovoltaic power generation monitoring system in order to enhance the long term power generation efficiency and reasonably increase the service life.

(6) Grasp the trend of green energy policy and development, and convert existing cases with barge prices lower than the general green power market into CPPA (Corporate Power Purchase Agreement） corporate power purchase contracts to increase the rate of case submission.

- Long term plan

(1)Acquire and develop quality photovoltaic power generation projects, make good use of green energy financing, and improve the return of photovoltaic power generation systems with quality equipment and management systems.

(2)Worked closely with strategic partners to transform into a light-asset renewable energy site developer and manager.

II. Glance at Market dynamics

(I) Market analysis

Chemical and oil tank storage services:

1. Analysis of the sales (offering) regions of the Company's main goods (services)

Unit:Thousand NTD

Year	2024		2023	
Region	Sales amount	Percentage %	Sales amount	Percentage %
Taiwan	$377,380	100	$324,088	100

2. Market share and future supply and demand and growth of the market

The petrochemical industry has always played an important role in Taiwan's economic development. The market demand for petrochemical tank storage services has always existed. The ports in Taiwan that can provide petrochemical tank storage services include the Port of Kaohsiung, the Port of Taichung and the Port of Keelung (including the Port of Taipei), among which the Port of Kaohsiung and the Port of Taichung started operations earlier and have a larger scale. In contrast, the Port of Taipei has just been commissioned in recent years. Due to the geographical location of the Port of Kaohsiung and the Port of Taichung, there is a natural geographic separation between their respective service targets and the competition between them is not obvious. Although the scale of the Port of Taipei is relatively small, its geographical location has a significant impact on the business of the Port of Taichung.

There are 6 shore tank storage service providers with a total capacity of more than 600,000 metric tons of various specs providing services at the west wharf of the Port of Taichung. Some companies are in the process of building up new tank storage terminals. Moreover, some tank farms at the new Petrochemical and Oil Storage and Transportation Center in the Port of Kaohsiung Intercontinental Container Terminal Project Phase 2 have commenced their operations. There may be shifts in dynamics within the domestic petrochemical shore tank storage service market.

Recently, many factors have affected the global oil market, making the market situation more complicated. Energy saving and carbon emission reduction remain key global topics. The phase-out of fossil fuels has directly impacted the petrochemical industry. In addition, the Russia-Ukraine war and ongoing conflicts in the Middle East have significantly disrupted the global oil and natural gas market. Petrochemical tank storage operators worldwide are facing varying levels of impact. Moreover, U.S. President Donald Trump’s energy and trade policies may further shake up the global petrochemical market and increase uncertainty.

Amid a global economic slowdown and rising geopolitical tensions, Taiwan's petrochemical industry has encountered multiple challenges since the second half of 2022. After the pandemic, China’s economic recovery has been weaker than expected. The chemicals are in oversupply due to reduced local consumption. This excess has led to aggressive price competition in global markets, creating an imbalance in supply and demand worldwide. Taiwan’s petrochemical industry has also been impacted, with a significant decline in import and export volumes.

Meanwhile, China has announced the termination of tariff reduction arrangements on some products under the Cross-Strait Economic Cooperation Framework Agreement (ECFA) from 2024, which will intensify the uncertainty surrounding Taiwan's petrochemical industry prospects. The tension across the Taiwan Strait has also influenced the willingness of foreign companies to lease storage tanks in Taiwan.

POCS has long been dedicating in petrochemical shore tank storage services, and has a long-established reputation in the industry, and is highly trusted by customers for our long-term core competency. In recent years, we have not only improved our storage and operation capacity, strengthened the functions and the competencies of our staff, and obtained international certifications, aiming to become the first choice of our customers when they need petrochemical tank storage services, but also adequately adjusted our customer structure and actively sought opportunities to cooperate with well-known domestic and foreign petrochemical companies and traders.

We will continue to optimize the management system and increase the flexibility of storage and operation to meet the different needs of customers. This will ensure us to have a long-term and stable development in our core business. Additionally, we will closely monitor the development of renewable energy and explore new business opportunities to reduce the impact of changes in a single industry.

3. Competitive niches, the favorable/unfavorable factors and countermeasures of long-term development

A. Favorable factors

(1) We have been specializing in the petrochemical tank storage service business for more than 30 years. We have been cooperating with many multinational companies for a long time. We have rich operating experiences and a good reputation and record in the market.

(2) We have proprietary terminals and flexible storage facilities of different sizes and functions to fully meet the diversified needs of our customers.

(3) All operations are undertaken by POCS's professional employees. We have obtained international certifications (ISO9001, ISO14001, OHSAS18001 & CNS15506, and CDI-T) to provide high-quality services.

(4) The free trade zones are beneficial to attract foreign customers to enter for storage.

(5) Taiwan has a good geographical location and the Port of Taichung has a large sphere of business, which still has certain advantages over other ports.

B. Unfavorable factors

(1) The global oil market has undergone significant changes in the past two years. Oil traders became more conservative in tank renting and were shortening the lease terms of tanks.

(2) Tightening regulations related to the environment, labor, firefighting, and work safety have driven up the costs of tank storage operations and new project development.

(3) The petrochemical industry in Taiwan has been in a downturn since the second half of 2022. The weakened demand on the consumer side led to a significant decline in the import and export volume of petrochemical cargoes.

(4) The tense situation between Taiwan and China has affected foreign companies' willingness to rent storage tanks in Taiwan.

(5) The storage tanks and peripheral equipment are aging, leading

to rising maintenance costs of terminals.

C. Countermeasures

(1) Enhance the competencies of employees and management, and encourage accepting challenges to be ready for future market changes.

(2) Optimize management systems and utilize intellectualized technologies to improve operating standards to meet future regulatory requirements.

(3) Strengthen internal communication processes to provide our service to customers with an integrated “One Team” concept.

(4) Increase the flexibility and capacity of our facilities to pursue opportunities for collaboration with global clients.

(5) Actively liaise with relevant government agencies and actively participating in relevant public associations, such as Tank Storage Association, in order to report industry issues and seek solutions.

(6) Monitor the development of renewable energy and leverage the company's resources to explore potential business opportunities.

(7) Continue approaching new business opportunities to mitigate the impact on revenue from a single industry.

Energy division:

1. Analysis of the sales (offering) regions of the Company’s main goods (services)

Year	2024		2023	
Region	Amount(in NTD thousand)	Percentage %	Amount(in NTD thousand)	Percentage %
Taiwan	$101,082	88	$100,965	86
Cambodia	$13,571	12	$16,465	14

2024 – Taiwan	
Total photovoltaic power installation capacity of the Energy Division (kW)	18,111
Total FiT photovoltaic power installation capacity in each county and city (Note)	140,281,000
Installation capacity market share	0.127%

Estimated total photovoltaic power generation of Energy Division (kWh)	21,151,164

Total kWh of photovoltaic power purchased by each county and city (Note)	14,902,522,0000
Power generation market share	0.142%

2024 – Cambodia	
Total photovoltaic power installation capacity (kW)	5,200
Estimated total photovoltaic power generation (kWh)	5,753,193

Note: 1. Information source: https://www.taipower.com.tw/tc/page.aspx?mid=204

2. The above operating performances of the energy division are the figures in the consolidated statements.

2. Future market demand, supply and growth

According to the “2021 National Electricity Resources Supply and Demand Report” released by the Bureau of Energy, solar power and wind power are the focus of renewable energy development in China, and it is planned that the capacity targets for 2025 will be 20GW of solar power (including 12GW of terrestrial and 8GW of rooftop) and 6.5GW of wind power (including 0.886GW of onshore and 5.6GW of offshore), and that the annual increase of solar power will be more than 2GW from 2026 on. Since 2026, more than 2GW of solar power will be added every year, so large-scale ground-mounted solar power plants will become the focus of development in the next two years. The government has actively planned eight major sites to be prioritized for the installation of solar power, with the potential installation volume estimated at 3.4GW for rooftop and 5.2GW for ground-mounted, so if these projects can be carried out smoothly, the rapid development of the solar power market after 2025 is still within reach.

According to the “Taiwan 2050 Net Zero Emission Pathway and Strategy General Explanation” released by the National Development Commission, the negative impacts caused by climate change have become very urgent, which has aroused the attention of the international community, multinational corporations, and local organizations, and various countries have launched “2050 Net Zero

Emission” declarations and actions, and the trend of global net zero, carbon reduction in the supply chain, and energy restructuring has been unstoppable, and the green industry has become a golden industry vigorously supported by governments. Observing the green energy development schedule at this stage, wind, hydro, geothermal energy development has been a waste of time, and only solar energy has a short construction period, which is the leader of green energy for energy transformation.

There are three main types of solar power generation systems, including: roof-mounted (e.g., factories, farmhouses, buildings, and public buildings, etc.), ground-mounted (e.g., fallow farmland, salt flats, polluted land, subsidence areas, water-use sites, rain shelters, and landfill sites, etc.), and floating PV (e.g., lakes, reservoirs, and ponds can be installed on water surfaces, etc.).

Due to the difference in hours of sunshine, 80% to 90% of solar power installations used to be concentrated in the central and southern parts of the country. Nowadays, the government is actively promoting renewable energy by offering a 15% discount on barter rates for areas north of Miaoli and the outer islands, which makes it more attractive for areas north of Miaoli to invest in solar power.

Future business opportunities for global renewable energy:

Renewable energy is expected to meet 46% of global electricity demand in 2030. Solar power is expected to replace hydro and wind power as the largest source of electricity. Meanwhile, under this scenario, the IEA estimates that the share of fossil fuels in global energy supply will fall from about 80% in the last few decades to 73% in 2030. [1]

The dramatic drop in the price of lithium batteries is contributing to their growing popularity in the power grid. According to research firm BloombergNEF, the average price of stationary lithium batteries per kilowatt-hour of energy storage has fallen by about 40 percent between 2019 and 2023. Global electric vehicles (EVs), which use similar technology, have slowed in popularity in recent years, leading to a growing interest in grid storage among battery makers, and in 2019, stationary lithium batteries will be 50% more expensive than those used in EVs. With the entry of new producers, the gap has narrowed to less than 20%, and the IEA believes that battery-integrated solar can already compete with coal-fired generation in India. In the next few years, the cost of solar power in the United States is expected to be lower than that of natural gas. [2]

[1] Source：https://km.twenergy.org.tw/Data/db_more?id=7294

[2] Source：CommonWealth Magazine, https://www.cw.com.tw/article/5131829

3. Competitive advantages, favorable and unfavorable factors of development prospects, and corresponding measures

Competitive advantages

(1) The Company has good relationships with its correspondent financial institutions, which are conducive to obtaining favorable loan ratio and interest rates.

(2) Most of the major components (such as modules, inverters, support racks, etc.) of photovoltaic power systems used by the Company are made by top-tier manufacturers in Taiwan, so that we can control the production cost, quality, delivery time and follow-up maintenance services, with the primary goal of enhancing the overall value of our field cases.

(3) We cooperate with experienced EPC (Engineering, Procurement, Construction) companies in case planning, construction, environmental safety, and cooperation with the Bureau of Energy and Taipower to complete the installation and generation of solar power systems on schedule and in quality.

(4) Diversified business development models, including self-development, cooperative projects provided by EPC, developer proposals, participation in public bids, and direct purchase and sale of existing operating PV projects.

A. Favorable factors

(1) The government provides a Feed-in-Tariff (FiT) mechanism that guarantees the acquisition of renewable energy and promotes a clear policy objective for the stable development of the solar power industry.

(2) The Ministry of Economic Affairs instructed Taipower to complete the construction of the power grid on schedule so that the green power plant and the power grid can be put in place at the same time, and together we can cross the green energy milestone.

(3) The rising awareness of green consumption has prompted major international brands to increase the proportion of renewable energy power used in all aspects of product design, manufacturing and logistics to strengthen their corporate social responsibility and brand image.

(4) Solar energy itself and its ancillary industries continue to develop, such as solar cells, to improve power generation efficiency, making the cost of solar power generation increasingly close to the cost of traditional fossil fuels power generation, reducing the financial burden of government subsidies in various countries.

B. Unfavorable factors

(1) Large enterprises and public housing rooftops are getting saturated, ground-mounted cases require changes in land category and outflow control plans result in protracted development periods, and floating PV practical operations such as water depth, backfill and other conditions need relevant information to be precisely provided, making the investors hesitate and maintain a wait-and-see attitude.

(2) New competitors are actively entering the solar industry, and life insurance companies and domestic and foreign listed companies are competing for limited domestic bids, taking advantage of their abundant capital.

(3) The FiT of the photovoltaic power generation system has

been declining year by year and the unaccustomed increase in the price of raw materials are unfavorable to the development of new projects.

(4) The ravages of natural disasters (such as typhoons and earthquakes, etc.) will affect the property insurance premium rates. Therefore, the changing factors of insurance costs are less controllable.

C. Corresponding measures

(1) To proactively approach various green electricity platform companies to seek the best possible tariff rates for power purchases so as to enhance the return of each project.

(2) Pay close attention to domestic and international photovoltaic power policies and market changes in the long run, and work closely with our strategic partners to develop high quality and large scale PV projects

(3) Keep abreast of the dynamic of the industry’s technological applications, and gradually introduce new products and develop new technologies for photovoltaic power generation systems to improve overall stability and power generation efficiency.

(4) Make long-term and complete planning before the construction of projects to improve their quality, reduce the risk of damage to equipment and interruption to revenue due to natural disasters, and further reduce the volatility of product insurance premium rates.

(5) In conjunction with a quality site maintenance contractor, regular inspections and maintenance work are carried out before and after typhoons and earthquakes to ensure the stable operation of each project

(6) Have sound financial planning, establish good cooperation with financial institutions, and make good use of the government's green financing resources to reasonably reduce the overall cost of capital, thereby enhancing the internal rate

of return on investment.

(II) Important applications and production processes of main products.

The Company is not a manufacturer. Its main business is in the chemical and oil tank storage service sector and installation of photovoltaic power generation systems, so it is not applicable.

(III) The supply of major raw materials.

The Company is not a manufacturer. Its main business is in the chemical and oil tank storage service sector and installation of PV power generation systems, so it is not applicable.

(IV). List of suppliers (customers) who have accounted for more than 10% of the total purchases (sales) in any of the most recent 2 years, their purchases (sales) amount and percentage.

1. Information on major suppliers in the last 2 years:

The Company is not a manufacturer. Its main business is in the chemical and oil tank storage service sector and photovoltaic power generation system installation, so it is not applicable.

	Year				Year				Current year up to the previous quarter			
Item	Name	Amount	As a percentage of net purchases for the year (%).	Relationship with the issuer	Name	Amount	As a percentage of net purchases for the year (%).	Relationship with the issuer	Name	Amount	As a percentage of net purchases for the year up to the previous quarter (%).	Relationship with the issuer
Not applicable												

Note 1: The names of suppliers with more than 10% of total purchases and the amounts and percentages of the purchases in the last two years should be listed, except for those suppliers whose names cannot be disclosed according to contracts or for counterparties who are individuals and not related parties, which may be indicated by code.

Note 2: TWSE or TPEx listed companies should disclose the financial information of the most recent period that has been attested or reviewed by CPA as of the publication date of the annual report.

2. Information on major customers in the last 2 years

Unit: Thousand NTD

	2024				2023				Up to 2025 Q1 (Note 2)			
Item	Name	Amount	As a percentage of net sales for the year (%).	Relationship with the issuer	Name	Amount	As a percentage of net sales for the year (%).	Relationship with the issuer	Name	Amount	As a percentage of net sales for 2025 Q1 (%).	Relationship with the issuer
1	G	138,710	28	None	G	125,980	29	None				None
2	H	123,584	25	None	H	100,965	23	None				None
	Others	229,739	47		Others	214,573	48		Others			
	Net sales	492,033	100		Net sales	441,518	100		Net sales			

Note 1: The names of customers with more than 10% of total sales and the amounts and percentages of the sales in the last two years should be listed, except for those customers whose names cannot be disclosed according to contracts or for counterparties who are individuals and not related parties, which may be indicated by code.

Note 2: TWSE or TPEx listed companies should disclose the financial information of the most recent period that has been attested or reviewed by CPA as of the publication date of the annual report.

Note 3: The above are figures in the consolidated financial statements.

3. Reasons for change: None

III. Employees

Information on employees for the last 2 years up to the publication of this annual report

April 30, 2025

Year		2023	2024	The current year up to April 30, 2025
Number of employees	Management staff	18	16	18
	Sales staff	5	6	4
	Direct staff	46	44	43
	Total	69	66	65
Average age		42.6	43.45	42.77
Average years of service		12.5	13.75	13.37
Degree of Education	PhD	0	0	0
	Master	8	9	9
	College	38	27	28
	Senior high school	22	29	28
	Below senior high school	1	1	0

IV. Information on environment expenditures

(I) Losses suffered in the last two years due to environmental pollution (including damage compensation and environmental protection audit results for violations of environmental protection regulations, the disposition date, the disposition document number, the provisions of the violated regulation and the content of the violated regulation, and the content of the disposition should be listed). The estimated amount of current and possible future occurrence and the corresponding measure should be disclosed, and if the amount cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be stated.

Year / Item	2023	2024
Damage Compensation and environmental protection audit results for violations of environmental protection regulations	Not applicable.	Violation of Article 24(2) and (4) of the Air Pollution Control Act.
Disposition date		2025/1/3
Disposition document number		Zhongshi Huankong Zi No. 1130163833 (Ruling No. 20-114-010007)
Content of the violated regulation		The company has obtained a stationary source operation permit (Certificate No. 0617-06) for the Volatile Organic Liquid Storage Tank Operation Procedure (M01) for West Terminal 2 in Taichung Port, and The Environmental Protection Bureau of Taichung sent the staff to West Terminal 2 to conduct an audit on October 24, 2024, and some of the manufacturing processes were in operation on-site. According to the raw material report provided by the company from January to October, 2024, the amount of paraxylene (PX) raw material used was 147,658.2 KL/year

Item \ Year	2023	2024
		(33,991.06 KL/ year as approved by the license), and the amount of product produced was 155,401.13 KL/ year (33,991.06 KL/year as approved by the license), which were all over the 10% tolerance range, and violated the Air Pollution Prevention and Control Act, Article 24, items 2 and 4 and the regulations for the management of operation of the stationary source and fuel use license, Article 23 of the Regulations for the Administration of the Permit for the Use of Stationary Source and Fuel. This is in violation of Article 24 (2) and (4) of the Air Pollution Control Act and Article 23 of the Regulations Governing the Operation of Fixed Pollution Source Installations and Fuel Use Permits.
Content of the Disposition		1. fine of NT$100,000, to be paid by 2025/2/19. 2. The date of correction: 2025/3/19. 3. 2 hours of environmental lectures.
Estimated amount of current and possible future occurrence		Penalty: NT$100,000.
Corresponding measure		1. Payment of fines has been made on 2025/2/14. 2. Submit the application to Taichung City Environmental Protection Bureau for the change of stationary source operation permit on 2025/3/14.

(II) The Company's prevention of pollution is as follows.

1.The Company's expenditures on environmental protection, occupational safety and health in 2024 are shown below.

Serial number	Type	Item	Expense (NTD)
1	Government Fees	Fixed source air pollution prevention fee for Taichung Port West 2and West 5 terminals.	2,064,813
2	Government Fees	Environmental License Application Data Review and Certificate Fee for Taichung Port West 2and West 5 terminals..	486,401
3	Government Fees	External inspection fee for Taichung Port West 2 and West 5 terminals.	176,714
4	Equipment Purchase	Firefighting inspection and repair reporting and equipment maintenance and renewal fees for Taichung Port West 2 and West 5 terminals.	231,907
5	Equipment Purchase	Groundwater pollution remediation plan remediation expense for Taichung Port West 2 and West 5 terminals.	2,118,090
6	Equipment Purchase	Maintenance fees for storage tanks and auxiliary equipment expense for Taichung Port West 2 and West 5 terminals.	2,410,757
7	Equipment Purchase	Personal protective gear and contingency equipment expense for Taichung Port West 2 and West 5 terminals.	947,304
8	Environmental Expenditures	Tanks business waste removal and disposal expense for Taichung Port West 2 and West 5 terminals.	1,459,780
9	Environmental Health Expenses	Non-destructive storage tank inspection and notarization fees for Taichung Port West 2 and West 5 terminals.	2,435,500
10	Environmental Security Expenses	Regular tracking of ISO management system for Terminal West 2 and West 5.	403,700
11	Environmental Security Expenses	Environmental safety and health inspection fees for Taichung Port West 2 and West 5 terminals.	3,487,881
12	Occupational Safety and Health Expenses	Personnel health inspection fee for Taichung Port West 2 and West 5 terminals.	159,337

Serial number	Type	Item	Expense (NTD)
13	Environmental Security Expenses	Instrument calibration and maintenance fees for Taichung Port West 2and West 5 terminals.	743,971
14	Environmental Security Expenses	Environmental safety and health miscellaneous expenses for Taichung Port West 2and West 5 terminals.	1,193,857
15	Environmental security expenses	Environmental protection business entrusted to the consultant fee for Taichung Port West 2 and West 5 terminals.	25,868
Total:			18,345,880

2. Specific measures for environmental protection, occupational safety and health

(1) As of 2024, the company has installed 19 internal floating roof storage tanks in Taichung Port West 2 terminal, with two sets of condensate recovery systems set up in the front and rear filling operation areas. Additionally, three sets of condensate recovery systems have been installed in the fixed roof storage tank area.
In Taichung Port West 5 terminal, there are 17 internal floating roof storage tanks, with one set of condensate recovery system already in place in the filling operation area. Furthermore, one set of condensate recovery system was added to the fixed roof storage tanks in the newly established A400 storage tank area in 2023.

(2) After the residual liquid in the storage tank is drained to a 1KL residual liquid barrel, it is entrusted to a Class A waste disposal organization for handling or is recycled and reused by the customer themselves, to prevent the residual liquid from being stored in the sewage temporary storage pool, which could indirectly cause groundwater pollution due to leakage.

(3) There are 18 sets of toxic gas detectors and 3 sets of detection alarm equipment in the tanks that are storing the Class 1 and Class 2 toxic chemicals, and refilling and pumping areas in Taichung Port West 5 terminal. With the above, abnormal leakage of toxic chemicals can be detected in real-time.

(4) The annual permitted regular testing of the volatile organic compounds (VOCs) reduction rate for the condensate recovery systems has reached over 85%, complying with environmental protection regulations in Taichung Port West 2 and West 5

terminals.

(5) According to the conclusion of the Environmental Impact Statement and Environmental Difference Analysis Report, the Taichung Port West Tank 5 Area conducted regular monitoring of air quality and groundwater monitoring wells on the east and west sides of the plant site in 2024, and the monitoring results showed that there was no deterioration of air quality and groundwater quality due to the storage and transfer operations.
On February 6, 2024, the Company submitted the fourth progress report on the implementation of the Groundwater Pollution Control Plan (Second Change), which was reviewed and approved on March 26, 2024 by the Municipal Environmental Protection Bureau.

(6) The Company considered that the remaining remediation time of the Groundwater Pollution Control Plan (Second Change) was limited and the remediation method evaluated by the model plant test was not effective, and that the concentration of TPH in the soil at this site mainly consisted of high carbon content and exceeded the soil contamination control standards, and that there were no residential or other sensitive areas in the neighboring area, which posed a relatively low health risk. The company incorporated the risk management with bioremediation method into the subsequent groundwater pollution control plan (the third change) and submitted it to the Municipal Environmental Protection Bureau (MEPB) for review on June 6, 2024, and after the MEPB held a review meeting on July 9, 2024, the MEPB agreed to file a report on October 16 of the same year, with an improvement date of October 15, 2034, for review.

(III) According to the regulations of TWSE Tai-Zheng-Shang-Zi No. 0950007006 dated April 13, 2006 and the TPEx Zheng-Guì-Jian-Zì No. 0950200962 dated April 12, 2006, listed companies should describe the implementation of the EU Restriction of Hazardous Substances (RoHS) Directive: Not applicable.

V. Labor relation

(I) Employee welfare measures, further education, training and retirement systems and their implementation, as well as labor-management agreements between management and employees and measures to protect the rights and interests of employees.

1. Employee welfare measures:

The Company has set up an employee welfare committee to organize birthday celebrations, trips and welfare allowances on a regular basis.

2. Continuing Education and Training for Employees

The Company has established the "Education and Training Management Measures" and planned relevant training courses according to job requirements to upgrade employees' professional knowledge and capability, enhance the overall capacity of employees, and improve business performance. In addition, the Company received the TTQS assessment in 2011 and 2012. We hope to provide a high quality learning environment for our employees with the idea of continuous improvement and progress.

(1) The relevant training results for 2024 are listed below:

Type of training	Number of courses	Number of participants	Training hours	Costs
Management ability	47	138	527	$561,027
Operational skills	16	50	455	$130,000
Languages	2	17	139	$188,100
New employees	202	13	899	$0

(2) Relevant licenses and trainings as specified by the competent authorities, obtained by finance and accounting staff, and internal auditors

a. Accounting Supervisor on the job training: 1 person.

b. Deputy Accounting Supervisor training Course: 1 person

c. Corporate governance supervisor on the job training: 1 person

d. The assured best practice of auditing ESG and writes effective audit report： 1 person.

e. Audit and control practices of internal auditors on information security: 1 person.

f. Auditing skills: 1 person.

g. Information security protection and cloud security audit practice: 1 person.

Implementation of pension systems

The Company has established a defined contribution pension plan under the "Labor Pension Act" covering all regular employees with domestic citizenship. The Company contributes monthly no less than 6% of salaries as labor pensions to employees' personal accounts at the Bureau of Labor Insurance for employees who choose to apply the labor pension system under the “Labor Pension Act.” Payments of employee pensions are made in the form of monthly pensions or one-time lump-sum, depending on the amount of the employees’ personal accounts and accumulated earnings.

4. Labor-management agreements and measures to protect the rights and interests of employees

   The Company protects the rights and interests of labor according to the Labor Standards Act and related laws and regulations, holds regular labor-management meetings, and has a smooth channel of communication between employees and management. Employees can reflect their opinions to the Company by phone, e-mail or in person. The Company will give formal answers to their opinions within a certain period of time to improve the Company’s management system and employee relations.

5. Employee conduct or code of ethics

   The Company has compiled work rules and has established a code of ethics and conduct for all employees to follow as the compliance indicator for conduct.

   (1) Both employees and management of the Company shall be committed to establishing corporate moral principles and work ethics and to the mutual consideration of each other to maintain a good labor-management relationship.

   (2) The Company has an obligation to take good care of its employees and the right to require them to provide professional services. Employees shall comply with the provisions of these rules and regulations and fulfill their obligations of diligence, prudence, respect, and trustworthiness to obtain the rights to which they are entitled.

   (3) Employees should comply with the following codes during their service.

   - Care for the company’s honor, keep up the team spirit, and work hard to perform the tasks loyally.
   - Comply with all company rules and regulations, obey reasonable supervision and guidance from management, and pay attention to work safety.
   - Absolutely keep safe the Company’s confidential information
   - Act with honesty and integrity, and shall not engage in debauchery, gambling, extravagance, arrogance, greed, laziness or any other conduct that would damage the reputation of the Company or the individual.
   - Shall not accept gifts and entertainments from others through

official relations.

- Shall not use the name of the Company for any purpose other than handling the Company's business.
- Shall strive to exactly perform duties and shall not fear, evade or delay for no reason; treat each other with honesty, separate public from private interests, respect each other and work together to achieve the Company's business goals.
- All full-time employees are prohibited from taking up outside part-time jobs without the permission of the chairman.
- Shall not read documents, drawings, correspondence, information, etc. that are not under one's own control.
- Use all public property with care and without waste

6. In order to maintain a gender-equal work environment, the Company has sexual harassment prevention and handling measure for all employees to follow.
7. Work Environment and Employee Safety Protection Measures

(1) In 2024, the company implemented a behavioral safety observation and proposal improvement system, resulting in a total of 68 improvement proposals, 93 near-miss incidents, and 87 on-site behavioral safety observation records. In addition to investigating the direct, indirect, and root causes of each near-miss event and discussing subsequent improvement measures, we also planned the necessary resources for the risks identified in each improvement proposal and on-site behavioral safety observation record. This was done with the goal of reducing the frequency of disasters, minimizing disaster losses, and preventing the continuous occurrence of disasters.

(2) In accordance with Article 4(1) of the Labor Health Protection Regulations, the company has commissioned a professional medical team to execute the 2024 On-Site Health Service Plan. Measures related to the four major plans, Maternal Health Protection Plan, and Respiratory Protection Plan have been taken to promote health, as detailed below:

- Health Promotion Plan: According to the Occupational Safety and Health Act and related regulations, the company completed general physical examinations and special operation health checks on April 3, 2024.

  Employee general health check: Health management by professional nurse practitioner who evaluated the results of the 2024 health check. Level 1 management: 1 employee, Level 2 management: 21 employees (actual interview: 1 employee), Level 3 management: 9 employees (actual interview: 6 employees), Level 4 management: 12 employees (actual interview: 11 employees).

The results of the general physical examination in 2024 showed that the proportion of abdominal ultrasound abnormalities (liver, gallbladder, pancreas, kidney, spleen ... This may be due to ageing of officers, night shift rotation and personal life style. It is recommended to adopt a light diet and regular exercise.

Special Hazardous Health Examination: In 2024, there will be 0 personnel in the fourth level of special health examination for dimethylformamide (DMF) and 1,3-butadiene (BD).

The Company also continues to promote and manage the use of personal protective equipment for employees who handle chemicals in the field in order to reduce the operational hazards of toxic chemicals and special chemicals.

- Overload prevention program: 47 employees were assessed for overload based on an overload questionnaire, 10-year risk of cardiovascular disease, and type of work. Among them, 4 employees quit the job, 42 did not need to be interviewed, 1 recommended to be interviewed (actual interview: 1 employee), and 0 needed to be interviewed.
- Human Hazard Prevention Program: 47 employees were assessed for the Musculoskeletal Injury Survey questionnaire and human hazards. Of these, 4 quit the job, 35 were not at risk, 7 were suspected to be at risk (actual interviews: 4), 0 were at risk, and 1 was suspected to have a confirmed disease (actual interviews: 1).
- Workplace bullying prevention program: We have implemented the workplace bullying identification in 2022, and no reports of workplace bullying were received in 2024.
- Maternal Health Protection Program: Occupational medicine physician have assessed the risk of hazards in the West 2 and West 5 since October 7, 2022, and the results of assessment are Level 1. In 2024, there were no pregnant female workers.
- Respiratory protection program: In December 2024, the on-site operation supervisor, occupational safety and health personnel, and the clinical health service physician and nurse practitioner jointly conducted an environmental

assessment of respiratory protection wear.
In 2024, a total of 5 people were sampled and tested for wearing respiratory protection during clinical health service interviews, and all were found to be in good condition.

(II) Losses suffered in the last 2 year due to industrial disputes (including labor inspection results in violation of the Labor Standards Act, the disposition date, the disposition document number, the provisions of the violated regulation and the content of the violated regulation, and the content of the disposition should be listed), and the estimated amount of current and possible future occurrence and the corresponding measure should be disclosed, and if the amount cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be stated.

	2023	2024	April 30, 2025
1. Circumstance of labor disputes	None	None	None
2. Losses incurred	None	None	None
3. Estimated future potential losses	None	None	None
4. Company's corresponding measure	None	None	None

VI、Cyber Security Management

1. Describe the information security risk management framework, information security policies, specific management plans and resources devoted to information security management.

Information Security Policy of Prime Oil Chemical Service Corporation

I. This policy is established to strengthen information security management, establish a secure and reliable information system, and ensure the security of data, systems, equipment and networks.
II. The Information Department is established to coordinate and promote information security management.
III. The role and responsibilities of the Information Department are as follows:
 1. To research, develop and evaluate information security policies, plans and technical

specifications.
2. Data and information system security requirements are appropriately reviewed, managed and protected.
3. To conduct Information security maintenance and security audits.

IV. The scope of this policy showed below. We shall establish relevant management norms or implementation plans for the following matters and regularly evaluate the effectiveness of implementation
1. Computer System Security Management.
2. Network security management.
3. System Access Control.
4. Application development and maintenance security management.
5. Server room and computer facility safety management.
6. Information security audits.

V. Personnel Management and Information Security Education Training
1. Information security assessments shall be conducted for any information-related duties and tasks. The personnel shall be carefully evaluated its competency and the performance be duly appraised, when employees are hired, assigned to jobs and tasks.
2. Each line manager shall be responsible for supervising the security of information operations of employees and preventing illegal and improper acts.
3. To conduct regular information security education and training to meet the needs of different work types, such as management, business and information, to build employees' information security awareness and improve information security standards.
4. The personnel responsible for the management, maintenance, design, and operation of important information systems shall be appropriately divided. Authority and responsibilities shall be decentralized, and a check and balance mechanism shall be established as necessary to implement personnel rotation and establish a manpower backup system.

VI. Computer system security management
1. When outsourcing the information business, we shall plan information security requirements in advance, specify the information security and confidentiality responsibilities of the vendor, and include in the contract, require the vendor to comply with, and assess the vendor regularly.
2. For system change, there shall be a control system and records, in order to be checked and inspected afterward.
3. Copy and use software in accordance with relevant regulations or contracts, and establish a software management system.
4. To take necessary precautionary and protective measures to detect and prevent

computer viruses and other malware to ensure the computer system functions as it is supposed to be.

VII. Network Security Management

1. Depending on the importance and value of information and systems, information and systems open to external connections should be protected from intrusion, destruction, tampering, deletion and unauthorized access by using technologies or measures of different security levels such as data encryption, identity authentication, electronic signature, firewall and security vulnerability detection.
2. Publication and circulation of information via Internet and World Wide Web shall be subject to a data security level assessment. Any confidential, sensitive and personal privacy information and documents without the consent of the party shall not be published on website.

VIII. System Access Control

1. To establish system access policies and authorization requirements, and to inform employees and users of the associated rights and responsibilities in writing, electronically or by other means.
2. For those who quit his/her job, all rights of access to information resources shall be cancelled immediately. In case of duty adjustment and transfer, the authority of the personnel shall be adjusted in accordance with the system access authorization.
3. For system service providers who carry out system maintenance through remote sign in, the relevant security and confidentiality responsibilities should be assigned, and security control shall be upgraded.

IX. Application development and maintenance security management

1. Information security requirements shall be taken into consideration at the initial stage of the system life cycle, regardless of self-developed or outsourced systems. Any system maintenance, updates, go-live execution and version changes shall be controlled securely to prevent improper software, backdoor and computer viruses from jeopardizing system security.
2. The scope of the system and data that the software and hardware system construction and maintenance vendor can access shall be defined and controlled, and issuance of long-term system identification codes and passwords is strictly prohibited. When it is necessary, short-term and temporary system identification and access codes may be issued to the vendor, but the rights of access shall be cancelled immediately after the use.
3. The construction and maintenance of important software and hardware facilities shall be entrusted to the vendor only under the supervision and accompaniment of the relevant personnel of the Company.

X. Information asset security classification management

1. To establish the property list of information assets related to the information system, and define the items, owners, and security level classification of information assets.

2. In order for users to comply, the output data of the information system that has been included in the security level classification shall be marked with the appropriate security level.

XI. Physical server room security management measures are established for equipment installment, surrounding environment, and personnel access control.

XII. Information Security Audits.

1. The scope of the audit shall be determined by the nature of the Company and the related audit program or procedures shall be established.
2. To enable the implementation of information security policies, internal and external audits of information security shall be conducted on a regular or an ad hoc basis.

XIII. This policy should be evaluated at least once a year to reflect the latest developments in government laws and regulations, technology and business to ensure the effectiveness of information security practices

XIV. Effective from the date of publication

Specific management programs of information security management

All information security operations of POCS are coordinated, managed and supervised by the Administration Division and the Information Technology Department. In order to promote and strengthen the concept of information security, and to conform to the company's current operating standards, the Information Technology Department will revise the information security policy in a timely manner, and adopt the following 3 strategies for relevant specific management programs.

Personnel Raising awareness of information security	**Workflow** Optimization of information security process	**Technology** Strengthen the information security infrastructure
■ Regularly provide information for security information. ■ Promote and supervise colleagues to follow the information security policy. ■ Provide ad virus Information security education trainings.	■ Build information management and usage guidelines。 ■ Implementation of Personal information protection mechanism ■ Optimize information security assessment and implementation process.	■ Build information leakage prevention mechanism。 ■ Use of next-generation firewalls ■ Use of intrusion detection system. ■ Use of Intrusion Protection Systems

Information Security Maintenance Expenses in 2024

Items	NTD(in thousands)
Anti-virus software	22
Firewall Maintenance Expenses	125
System maintenance (including backup) Expenses	40

2. A list of the losses, possible impacts and responses to major information and communications security incidents suffered in the most recent year and up to the date of publication of the annual report, and, if cannot reasonably estimable the losses, describe the incidents of losses: Not Applicable.

VII. Important contracts

Nature of contract	Parties involved	Contract start and end date	Main content	Restricted clauses
Terminal Service Agreement	G	2018.03.16~2025.12.31	Petrochemical shore tank storage services	None
Terminal Service Agreement	I	2020.07.01~2026.06.30	Petrochemical shore tank storage services	None
Terminal Service Agreement	K	2022.01.01~2026.12.31	Petrochemical shore tank storage services	None
Terminal Service Agreement	J	2022.01.01~2024.12.31	Petrochemical shore tank storage services	None
Solar power generation system lease contract	R	2017.11.14~2037.11.14	Power Purchase Agreement	None
Solar power generation system lease contract		2020.04.08~2040.04.08		None
Solar power generation system lease contract		2020.04.08~2040.04.08		None
Solar power generation system lease contract		2020.04.08~2040.04.08		None

Five. Review of financial position and financial performance, and risks

I. Financial position

(I) Review and analysis of financial position - Consolidated

Unit: Thousand NTD

Item \ Year	2024	2023	Difference.	
			Amount	%
Current assets	267,100	173,136	93,964	54
Property, Plant and Equipment	1,180,605	1,251,778	(71,173)	(6)
Intangible asset	1,509	2,890	(1,381)	(48)
Other assets	520,418	499,935	20,483	4
Total assets	1,969,632	1,927,739	41,893	2
Current liabilities	177,265	208,299	(31,034)	(15)
Non-current liabilities	506,821	507,399	(578)	(0)
Total liabilities	684,086	715,698	(31,612)	(4)
Equity attributable to shareholders of the parent company	1,285,104	1,211,590	73,514	6
Share capital	778,344	778,344	0	0
Additional paid-in capital	77,397	77,397	0	0
Retained earnings	414,156	352,430	61,726	18
Other equity interests	15,207	3,419	11,788	345
Non-controlling interests	442	451	(9)	(2)
Total shareholders' equity	1,285,546	1,212,041	73,505	6

Note: If the percentage of change does not reach 20% or the amount of change does not reach $10,000 or more, no analysis is provided.

(II) Change analysis

1. Increase in current assets: The main reason was that strong profitability in the current period, resulting in an increase in demand and time deposits.
2. Decrease in property, plant and equipment: The decrease in property, plant and equipment was mainly due to capital expenditures for asset maintenance and solar energy equipment additions being lower than the amount of fixed assets that reached the end of their useful lives, resulting in a decline compared to the previous period.

3. Decrease in intangible assets: The decrease was primarily due to the periodic amortization of computer software.
4. Decrease in other assets: The carrying amount of the right-of-use asset increased due to the renewal of the office lease upon its expiration.
5. Decrease in current liabilities: Repayment of short-term bank borrowings in line with operating conditions resulted in a decrease in current liabilities as compared to the previous period.
6. Increase in equity and retained earnings attributable to shareholders of the parent company: The increase was primarily due to higher net income after tax compared to the previous period. In addition, a lower dividend payout ratio resulted in reduced dividend distributions, with the undistributed earnings retained for future capital expenditures. This led to an increase in retained earnings, thereby contributing to the increase in equity attributable to shareholders of the parent company.

II. Review and analysis of financial performance

(I) Review and analysis of financial performance - Consolidated

Unit: Thousands of NTD, unless otherwise specified

Item	2024	2023	Increase (decrease) amount	Change percentage (%)
Net operating revenue	$492,033	$441,518	50,515	11%
Operating cost	(311,910)	(314,567)	(2,657)	(1%)
Operating gross margin	180,123	126,951	53,172	42%
Operating expenses	(67,288)	(64,980)	2,308	4%
Net operating income	112,835	61,971	50,864	82%
Non-operating income or expenses	21,347	18,876	2,471	13%
Income before income tax	134,182	80,847	53,335	66%
Income tax expense	(27,036)	(15,624)	11,412	73%
Current period net profit	107,146	65,223	41,923	64%
Other comprehensive income for the year (net)	13,060	(63)	13,123	20,830%
Total comprehensive income for the period	120,206	65,160	55,046	84%
Basic earnings per share (NTD)	1.38	0.84	0.54	64%

Analysis and explanation of the increase or decrease percentage

1. Increase in Operating Revenue: The tank storage business unit experienced a rise in revenue due to an increase in the number of oil tank leases by customers, leading to higher oil tank income. In addition, the volume of loading and unloading operations also showed a significant increase compared to the previous period. Conversely, the chemical storage tank customers saw a slight decline in both revenue and loading/unloading volume due to an overall downturn in market conditions. The combined revenue increased by approximately NT$53.29 million, or 16%.
   The energy business unit reported a revenue decrease of NT$2.78 million, or 2%, primarily due to no new domestic solar sites were connected to the grid during the period, and revenue from overseas projects declined compared to the previous period.
2. Decrease in Operating Costs: The tank storage business unit saw a decrease of approximately NT$5.61 million. The main reductions were due to lower depreciation expenses, as previously acquired fixed assets have gradually reached the end of their depreciation period, while newly acquired assets in recent times have been fewer and thus generated smaller depreciation charges. Fuel costs declined as a result of non-renewal by clients requiring heating and insulation services. Terminal management fees decreased due to timing differences between two periods. On the other hand, cost increases were mainly driven by higher employee benefit expenses resulting from salary adjustments and an increased provision rate for employee compensation due to improved

profitability. Rental expenses rose following the April 3, 2024 earthquake, which caused transformer damage and necessitated short-term transformer rentals. Property insurance expenses also rose due to continued premium rate increases for tank area fire insurance and commercial general liability insurance in 2024.

The energy business unit experienced an increase of approximately NT$2.96 million, primarily due to higher repair and insurance expenses during the period, as well as an increase in contributions to the solar panel recycling fund.

3. Increase in operating expenses: The increase in selling and administrative expenses was primarily attributable to higher employee benefit expenses, driven by salary adjustments and increased employees' compensation resulting from improved profitability and a higher allocation ratio.
4. Increase in non-operating income or expenses:
   (1) The decrease in other income was mainly due to the decrease in cash dividends paid through financial assets at fair value through profit or loss and through other consolidated financial assets at fair value through profit or loss.
   (2) The increase in other gains and losses was mainly due to the increase in valuation adjustments on financial assets at fair value through profit or loss compared to the prior period, gains from the disposal of transportation equipment, and an increase in net foreign exchange gains resulting from the appreciation of the U.S. dollar. The decrease was due to the recognition of a gain on the disposal of the subsidiary in 2023, whereas no such transaction occurred in 2024.
   (3) The decrease in finance costs was due to higher short-term financing needs in 2023, while no such financing was required in 2024.
   (4) The share of profit or loss of associates and joint ventures accounted for using equity method increased, mainly due to the operating profit of newly invested companies in the current period.
5. Income tax expense increased, primarily as a result of the rise in income before tax compared to the prior period.
6. Increase in other comprehensive income: Mainly attributable to an increase in cumulative translation adjustments arising from the translation of financial statements of foreign operations, due to the appreciation of the U.S. dollar during the current period.

III. Review and analysis of cash flow

(I) Liquidity analysis for the last two years

Item \ Year	December 31, 2024	December 31, 2023	Increase (decrease) percentage %
Cash flow ratio	160%	116%	38
Cash flow adequacy ratio	103%	94%	10
Cash reinvestment ratio	9%	8%	13
Analysis and explanation of the increase or decrease percentage change Increase in cash flow ratio: The cash flow ratio increased primarily due to a reduction in current liabilities, as short-term bank borrowings were repaid in line with operational needs. In addition, the increase in pre-tax income during the period led to higher net cash inflows from operating activities. Taken together, these factors resulted in an improvement in the cash flow ratio compared to the previous period.			

(II) Cash flow analysis for the coming year

Unit: Thousand NTD

Cash balance at the beginning of the period	Net cash flow from operating activities for the full year	Cash outflow for the full year	Cash balance (shortfall) amount	Remedy for cash shortfall	
				Investing plan	Financing method
190,930	255,713	263,428	183,215	Not applicable	

Analysis of changes in cash flows for the year.

1. Operating activities: Expected to be net cash inflows for the full year from revenues from the chemical and oil tank business and the Energy Division.
2. Investing activities: Significant repairs to chemical and oil tank assets are planned in the coming year; therefore, investing activities are expected to be cash outflows for the full year.
3. Financing activities: Ongoing repayment of bank borrowings is expected during the year, resulting in net cash outflows from financing activities for the full year.

IV. The impact of major capital expenditures on finance and operation in the most recent year: None.

V. Investment policy for the most recent year, the main

reasons for profit or loss, improvement plan and investment plan for the coming year.

As the market for our main business, chemical and oil tank leasing, is becoming saturated, the Company is actively looking for appropriate investment opportunities to expand our core business in the next phase, in addition to enhancing customer development in our core business.
The Company's investment policy for the most recent year and for the coming year are as follows:

1. Through cooperation with strategic partners, the Company is transitioning toward becoming an asset-light developer and operator of renewable energy sites.
2. Continuously strengthen internal communication and inter-departmental cooperation, along with appropriate human resource development programs, to enhance resilience to external changes and to serve as a foundation for new business development.

VI. Risks

(I) The impact of the changes in interest rate and exchange rate, and inflation on the Company's profitability and future corresponding measures:

1. The impact of the changes in interest rate on the Company's profitability and future corresponding measures:

Unit: Thousand NTD

Item\Year	2024	2023
Consolidated interest expenses (1)	11,978	13,505
Consolidated net income before tax (2)	134,182	80,847
（1）/（2）	8.93%	16.70%

The consolidated interest expense of the Company and its subsidiaries for the year 2024 amounted to NT$11,978 k, accounting for 8.93% of the pre-tax net income for the year, representing a decrease compared to 2023.

In 2024, the ongoing Russia-Ukraine war, intensified U.S.-China tensions, and continued cross-strait instability contributed to significant global inflationary pressure. In response, countries initiated interest rate hike cycles. Although some nations have begun to approach the end of their rate hikes, the overall trend still led to an increase in domestic borrowing rates. However, due to the Company's lower short-term financing needs in 2024 compared to 2023, the total interest expense declined. Despite the rise in borrowing rates, the reduction in borrowing amounts helped offset the cost increase, resulting in lower interest expenses in 2024. The Company maintains good relationships with its correspondent banks, and the company is financially sound, having good credit standing, and is able to obtain more favorable interest rates through active bargaining. When there are major capital expenditures in the future, the Company will take the following corresponding measures, as appropriate, to hedge the impact of changes in interest rates in order to maximize the benefits.

(1) Improve financial structure: Depending on the operating conditions and capital requirements, the Company will consider the soundness of the overall financial structure of the Company and will raise capital

through bank financing or market financing.

(2) Increase fundraising channels: Issue corporate bonds or convertible bonds to increase direct financing opportunities and appropriately reduce the cost of capital.

(3) The Company regularly evaluates bank borrowing interest rates and obtains average market interest rates, and closely liaises with banks to obtain the most favorable borrowing interest rates.

2. The impact of the changes in exchange rate on the Company's profitability and future corresponding measures:

Unit: Thousand NTD

Item\Year	2024	2023
Consolidated exchange gain (loss) (1)	2,101	564
Consolidated net income before tax (2)	134,182	80,847
（1）/（2）	1.57%	0.70%

In 2024, the Company recognized foreign exchange gains of NT$2,101 k, accounting for 1.57% of the pre-tax net income for the year. This was primarily attributable to exchange gains realized from the partial return of invested capital by AB VALUE BRIDGE VI, L.P.

The impact of inflation on the Company's profitability and future corresponding measures:

Affected by the outbreak of Covid-19, global economic growth momentum was significantly weakened. In addition to closely monitoring the fluctuation of market prices, the Company will adjust lease rates and strictly control costs and operating expenses to reduce the impact on operations in the event of future inflation.

(II) The policy of engaging in high-risk, highly leveraged investments, lending of funds to others, endorsement and guarantee, and derivative instruments, the main reasons for profit or loss, and future corresponding measures:

The Company does not engage in high-risk, highly leveraged investments or lending of funds to others.

(III) Future plans and the estimated investments in R&D.

The Company's chemical and oil tank storage division is part of the logistics service sector in the petrochemical industry. In order to continue to provide customers with quality tank storage services, the Company has been purchasing and upgrading various software and hardware equipment, which is recorded as operating costs.

The Company's Energy Division currently focuses on the development and construction of photovoltaic power generation systems. The supply chain of the solar power industry is complete in Taiwan, from upstream to downstream. We will make full use of this advantage to create high quality photovoltaic power generation systems with high standard, and supplemented by a power generation smart monitoring system to manage the power generation equipment at various locations in real-time to respond to the unexpected incidents of each power generation system as soon as possible, so as to generate long-term stable income from power sales or leasing.

In summary, the Company's core business is in the service sector and there are no expenses attributable to research and development.

(IV) The impact of important domestic and foreign policy and legal changes on the Company's finance and business and corresponding measures

The Company's chemical and oil tank storage service division is mainly regulated by industrial safety and environmental protection laws and regulations. In recent years, environmental protection and labor safety laws and regulations have become increasingly stringent, and the cost of compliance has continued to rise. The Company has a dedicated safety and environmental section responsible for various environmental protection and labor safety matters, and has passed ISO14001 and ISO 45001, and hired relevant specialized consultants to assist in planning various environmental protection matters. We will continue to assess the impact of changes in environmental protection and labor safety regulations and practices on our existing customers and new customers in the future, in order to provide customers with one-stop tank storage leasing services.

The Company's Energy Division focuses on the business opportunities created by the government's green energy policy and the international trend of energy saving and carbon reduction, but the future is not all rosy. Many companies are competing for the limited market. Some of them are competing for the market with low price strategies. At the same time, some building lessors are only interested in high rents, ignoring the fact that photovoltaic power systems require careful maintenance and operations to enjoy a return on investment of more than 20 years, resulting in varied professionalism and quality in the photovoltaic power generation system market. The Company insists on using high-quality solar modules and inverters as key components. It constructs photovoltaic power generation systems with high standards, supplemented with the monitoring and maintenance system to oversee the performance of power generation in real-time, so as to attract like-minded customers by differentiating ourselves through long-term stable power output and perfect management quality. In addition, we are also expanding into the overseas photovoltaic power generation system market, working with local strategic partners to provide integrated service solutions from the selection of key components to construction and after-sales maintenance management, diversifying our revenue streams to stabilize our business growth base.

(V) The impact of changes in technology or industry on the Company's finance and business and corresponding measures

Given the existing business model is by and large in the service industry, whether it is the chemical and oil tank storage service or the installation of photovoltaic power generation systems to obtain long-term income from electricity sales or leasing for more than 20 years, they are all capital-intensive and have long payback periods. These industries are not as fast changing as the consumer technology products industry. The Company will gradually implement new gadgets and technology applications into the service process in response to technological changes in order to maintain stable service quality over the long term, and to increase the added value of services or reduce operating costs. Therefore, the impact of changes in technology on the Company's finance and business should be gradual and can be reasonably estimated.

As for changes in the industry, the on-shore tank storage service industry is an important midstream logistics service provider for petrochemicals, and is actually a gateway to domestic and international resources, especially in the context of Taiwan's foreign trade oriented economic structure. As long as the petrochemical industry continues to exist in the country and there are no major negative factors impeding the inter-regional trade of oil and chemicals, there will be no significant impact or change in the value of existence and basic service type of the on-shore tank storage service industry.

In order to strengthen information security management, the Company has formulated the "Information Security Policy" and implemented the information work plan based on it. At the same time, the Company has formulated the "Personal Data Protection Management Measures" to strictly manage the use and security maintenance of data, and established a firewall and an electronic data storage platform to control the access rights of staff and reduce the Company's information security risks.

The Company makes an evaluation based on the "Information Security Policy" once a year to reflect the current development of governmental laws and regulations, technology and business changes to ensure the reliability of information security practices.

The Company has successively implemented ERP system, knowledge management platform, online sign-off management system and BI reporting system to shorten operation time, improve operational efficiency through data analysis, strengthen the Company's competitiveness and enhance operational efficiency.

In the future, it is expected that the plant patrol inspection/maintenance and repair system will be implemented to reduce the patrol inspection time with the help of technology, and to effectively ensure that the personnel will perform inspection, maintenance and repair in place, and to understand the current status of the plant equipment in real-time to reduce the chance of equipment abnormality.

(VI) The impact of change in the corporate image on corporate crisis management and corresponding measures

The Company has been in the chemical and oil tank storage sector for many years and is a benchmark company in the industry. We operate based on the principle of equality and mutual benefit and create a win-win situation for all, and have good long-term cooperation and interaction with customers and suppliers. We also comply with environmental protection and industrial safety regulations, pay attention to the physical and mental health of our employees, and handle disputes properly. We also run the energy division based on the same principle of solidity. Therefore, our corporate image has not changed much.

(VII) Expected benefits and possible risks of mergers and acquisitions and corresponding measures: Not applicable.

(VIII) Expected benefits and possible risks of plant expansion and corresponding measures: No such situation:

The Company chemical and oil tank storage service division regularly evaluates the suitability of the existing facilities and continues to add, maintain or upgrade various hardware and software. The expected benefits are to provide high-quality tank storage services in a sustainable manner, to extend the useful life of the hardware and software appropriately, and to reduce operational risks such as leakage or contamination caused by equipment errors or failures.

If there are appropriate development opportunities and customer demand, the Company will assess the investment or development of a new tank storage terminal, which is expected to expand the Company’s business scale and customer base, with the same potential business risks associated with the current terminals. The Company will focus on training professional staff in order to provide the same high quality tank storage services.

The Company’s Energy Division is mainly engaged in the development and construction of photovoltaic power generation systems. The expansion of new field cases will effectively increase the scale of business and customer base and improve the stability of revenues, with the potential risks generally the same as the risks at present, and some of the photovoltaic power systems may require adjustment of maintenance and operation methods due to different local environmental conditions. The Company will focus on training professional staff and integrating resources, such as commissioning professional photovoltaic power system maintenance providers, in order to obtain long-term stable revenues from electricity sales or leasing.

(IX) Risks of concentrations of purchases or sales and corresponding measures:

Under the existing sales revenues structure, the Company has continued to adjust the customer portfolio and upgrade various software and hardware in recent years to increase the flexibility and develop new types of tank storage demands, while actively developing the photovoltaic power generation system business in order to diversify revenue sources and reduce the risk of sales concentration.

(X) The impact on the Company and risks of the massive transfer or change of shares by directors, supervisors or major shareholders with 10% stake or more and corresponding measures:

There was no massive transfer of shares by the Company’s directors, supervisors or major shareholders with a 10% stake or more in 2024.

(XI). The impact on the Company and risks of change in management rights and corresponding measures: Not applicable.

(XII). For litigious and non-litigious matters, please list major litigious, non-litigious or administrative disputes that have been resolved or are still proceeding involving the Company and/or any director, supervisor, the president, any person with actual responsibility for the Company and any major shareholder holding a more than 10% of the shares, and the affiliates. Moreover, where such a dispute could materially affect shareholders’ equity or the prices of the securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the publication date of the annual report:

On December 22, 2016, the Company signed the “Construction of a solar power generation system” with Chunghwa Telecom Vietnam Co., LTD. to construct a solar power generation system in Cambodia. However, Chunghwa Telecom Vietnam Co., Ltd. refused to perform the obligations under the above "Construction Contract" in the third quarter of 2017. In view of the aforementioned situation, the Company sent a letter to Chunghwa Telecom Vietnam to demand it to perform the obligations under the "Construction Contract" within the deadline. However, after the expiration of the reminder period, Chunghwa Telecom Vietnam still failed to perform the contract obligations. Hence, the Company legally terminated the construction contract. The Company has filed a lawsuit for civil damages with the Taiwan Taipei District Court (TDC) in April, 2018.

In December 2020, the Company received a notice of judgment from the TDC denying the Company's request. After consulting with the attorney, the Company filed an appeal with the Taiwan High Court in January 2021. The Taiwan High Court ruled on August 23, 2022 that our company should pay Chunghwa Telecom Vietnam $2,284,000 USD, plus interest calculated at an annual rate of 5% from September 24, 2019 until the date of payment. After consultation with lawyers, our company filed an appeal to the Supreme Court in September 2022 and deposited $69,120 thousand as collateral to prevent execution of the judgment, with the collateral amount recorded as other non-current assets. On March 1, 2023, our company received a notice from the Supreme Court that the original judgment was overturned and sent back to the Taiwan High Court. On March 10, 2023, the Company applied to retrieve the guaranteed deposit of $69,120, and on March 13, 2023, received a notice from the Taiwan District Court Depositary notifying that the claim of false execution is nullified, and the deposit is allowed to be returned. The Company had retrieved the guarantee deposit on August 14, 2023. The case is currently on trial at Taiwan High Court.

(XIII) Other major risks and corresponding measures: None.

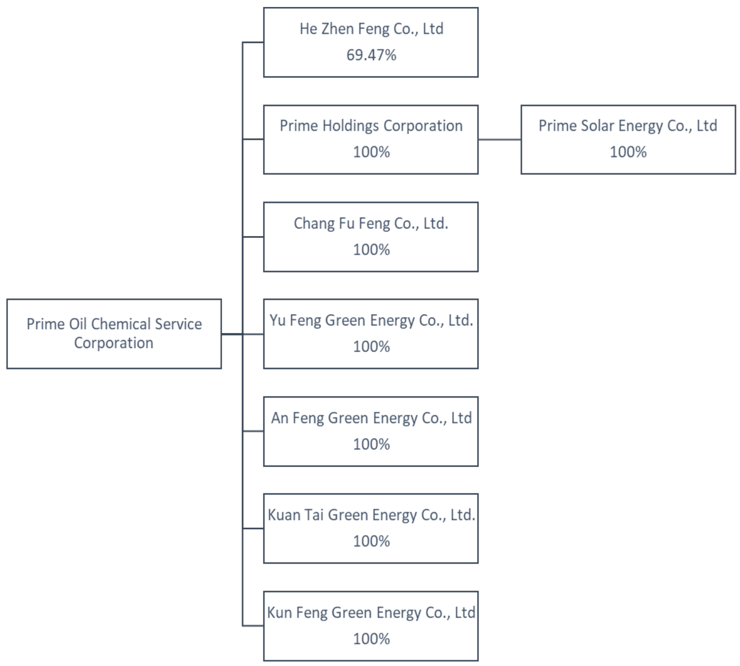
VII. Other important matters: None.

Six. Special matters

I. Information on affiliates:

(I) Consolidated business report of affiliates

1. Organizational chart of affiliates: (April 30, 2025)



2. Basic information on affiliates (April 30, 2025)

Company name	Date of establishment	Paid-in capital	Main business or business model
He Zhen Feng Co., Ltd.	2010.07.02	1,000,000	Real Estate Leasing
Prime Holdings Corporation	2019.02	US$6,298,770	Holding and Trading
Prime Solar Energy Co., Ltd	2019.09	US$1,700,000	Real Estate Development
Chang Fu Feng Co., Ltd.	2014.06	2,230,000	Solar Power Generation Business
Yu Feng Green Energy Co., Ltd.	2024.10	63,000,000	Solar Power Generation Business
An Feng Green Energy Co., Ltd	2025.03	50,000,000	Solar Power Generation Business
Kuan Tai Green Energy Co., Ltd.	2025.03	1,000,000	Solar Power Generation Business

Company name	Date of establishment	Paid-in capital	Main business or business model
Kun Feng Green Energy Co., Ltd	2025.03	1,000,000	Solar Power Generation Business

3. Information on directors and supervisors and presidents of affiliates (2025/4/30)

Company name	Title	Name or representative	Shareholding	
			Shares	Shareholding Percentage
He Zhen Feng Co., Ltd.	Chairman	Prime Oil Chemical Service Corporation Representative: Liao, Shu-Chun	69,468	69.47%
	Director	Prime Oil Chemical Service Corporation Representative: Su, Kun-Ming		
	Director	Prime Oil Chemical Service Corporation Representative: Wang, Shi-Ming		
	Supervisor	Yeh, Tang-Jung	0	0%
Prime Holdings Corporation	Chairman	Prime Oil Chemical Service Corporation Representative: Liao, Shu-Chun	30,000	100%
Prime Solar Energy Co., Ltd.	Chairman	Prime Holdings Corporation Representative: Liao, Shu-Chun	1,700,000	100%
Chang Fu Feng Co., Ltd.	Chairman	Prime Oil Chemical Service Corporation Representative: Liao, Shu-Chun	223,000	100%
Yu Feng Green Energy Co., Ltd.	Chairman	Prime Oil Chemical Service Corporation Representative: Liao, Shu-Chun	6,300,000	100%
An Feng Green Energy Co., Ltd	Chairman	Prime Oil Chemical Service Corporation Representative: Liao, Shu-Chun	5,000,000	100%
Kuan Tai Green Energy Co., Ltd.	Chairman	Prime Oil Chemical Service Corporation Representative: Liao, Shu-Chun	100,000	100%
Kun Feng Green Energy Co., Ltd	Chairman	Prime Oil Chemical Service Corporation Representative: Liao, Shu-Chun	100,000	100%

4. 2024 operation overview of affiliates

Unit: Thousands of NTD; EPS in NTD

Enterprise name	Capital	Total Assets	Total Liabilities	Net worth	Operating Revenue	Operating Income	Net income or loss for the period (After Tax)	Earnings Per Share
He Zhen Feng Co., Ltd.	1,000	1,452	0	1,452	0	-42	-29	-0.29
Prime Holdings Corporation	US$6,298,770	US$7,079,411.13	US$17,012	US$7,062,399.13	US$422,610.68	US$64,259.02	US$101,465.22	US$ 0.0161
Prime Solar Energy Co., Ltd	US$1,700,000	US$1,687,092.65	US$0	US$1,687,092.65	US$0	US$-2,572.34	US$-1,500.95	US$-0.0008
Yu Feng Green Energy Co., Ltd.,	25,100	25,033	0	25,033	0	-82	-67	-0.03
Chang Fu Feng Co., Ltd.	2,230	2,102	35	2,067	0	-160	-160	-0.72

(II) Consolidated financial statements of affiliates.

For 2024 (from January 1, 2024 to December 31, 2024), the entities that should be included in the consolidated financial reports of affiliated enterprises based on "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" and the entities that should be included in the consolidated financial reports of subsidiaries based on "Consolidated and separate financial statements" of International Financial Reporting Standards No. 10 were the same. The related information that should be disclosed in the consolidated financial statements of affiliated enterprises is also already disclosed in the consolidated financial reports for subsidiaries so that the consolidated financial statements of affiliated enterprises would not be published separately.

(III) Affiliation report: Not applicable.

II. Private placement of securities during the most recent year or the current year up to the date of publication of the annual report: None.

III. Other matters that require additional explanation: None.

IV. Any of the situations listed in Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholder equity or the price of the Company's securities, which has occurred during the most recent year or the current year up to the date of publication of the annual report: None.

V. Disclosure of financial instruments

(I) Categories of financial instruments

	December 31, 2024	December 31, 2023
Financial asset		
Financial assets at fair value through profit and loss		
Financial assets mandatorily measured at fair value through profit or loss	$ 130,321	$ 102,210
Financial assets at fair value through other comprehensive income		
Investments in designated equity instrument	$ 4,622	$ 5,111
Financial assets measured at amortized cost		
Cash and cash equivalents	$ 190,930	$ 85,546
Financial assets measured at amortized cost - current	18,986	20,680
Note receivable	-	346
Trade receivable	45,984	52,961
Financial assets measured at amortized cost – non-current	4,787	3,571
Other non-current assets	48,579	47,405
	$ 309,266	$ 210,509

	December 31, 2024	December 31, 2023
Financial liability		
Financial liabilities measured at amortized cost		
Short-term borrowings	$ -	$ 30,000
Notes payable	-	6,881
Other payables	52,540	47,439
Long-term borrowings (including portions due within one year)	369,739	344,092
Guarantee deposits received	440	440
	$ 422,719	$ 428,852
lease liabilities	$ 196,848	$ 225,800

A.Risk management policies

The Group’s daily operations are subject to a number of financial risks, including market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. The Group’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group’s financial position and performance.

The Group's significant financial risk management is controlled with review by the Board of Directors in accordance with relevant regulations and internal control systems. The financial risk management plan has been established to identify and analyze the financial risks faced by the Company and assess their impact, and to implement relevant policies to avoid financial risks, and to regularly review the financial risk policy to reflect changes in market conditions and the Group's operations.

B. Significant financial risks and degrees of financial risks

(1) Market risk

Exchange rate risk

A. The Group engages in business involving foreign currency transactions and is therefore subject to exchange rate fluctuations and exchange rate risk arising from different currencies, mainly USD. The related exchange rate risk arises from future business transactions and recognized assets. Exchange rate risk arises when future business transactions and recognized assets are denominated in the functional currency of the entity.

B. The Group has no significant foreign currency financial liabilities. An analysis of foreign currency assets subject to significant exchange rate fluctuations and foreign currency market risk due to significant exchange rate fluctuations is as follows.

	December 31, 2024			Sensitivity Analysis		
	Foreign currency (NTD in thousands)	Exchange rate	Carrying amount (NTD)	Change range	Impact on profit or loss	Impact on comprehensive income
Financial asset						
Monetary items						
USD: NTD	$ 741	32.74	$ 24,257	1%	$ 243	$ -
Non-monetary items						
USD: NTD	$12,579	32.74	$ 411,758	1%	$ -	$ -

December 31, 2023

	Foreign currency (NTD in thousands)	Exchange rate	Carrying amount (NTD)	Sensitivity Analysis		
				Change range	Impact on profit or loss	Impact on comprehensive income
Financial asset						
Monetary items						
USD: NTD	$ 653	30.66	$ 20,021	1%	$ 200	$ -
Non-monetary items						
USD: NTD	$ 12,027	30.66	$368,714	1%	$ -	$ -

C. The total amount of exchange gain (losses) (both realized and unrealized) recognized in 2024 and 2023 was $2,101 and $564, respectively, due to the significant impact of exchange rate fluctuations on the Group's monetary items.

(2) Price risk

A. The Group's equity instruments exposed to price risk are financial assets held at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage the price risk of equity securities, the Group diversifies its investment portfolio in a manner that is based on the limits set by the Group.

B. The Corporate Group invests mainly in equity instruments and beneficiary certificates that are not listed on the TWSE or TPEx or foreign markets. The prices of these equity instruments are affected by the uncertainty of the future value of the underlying investments.

(3) Cash flow and fair value interest rate risk

A. The Group's interest rate risk arises from short-term and long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. For 2024 and 2023, the Corporate Group's borrowings based on floating interest rates were denominated in NTD.

B. The Group simulates various scenarios and analyzes interest rate risk, including consideration of refinancing, renewal of existing positions, other available financing and hedging, in order to calculate the impact of changes in specific interest rates on profit or loss. For each simulated scenario, the same interest rate change is applied to all currencies. These simulated scenarios are used only for significant interest-bearing liabilities.

C. As of December 31, 2024 and December 31, 2023, if the interest rate of all borrowings increased by 1% with all other factors held constant, net profits after tax would have decreased by $2,958 and $2,993 for 2024 and 2023, primarily due to the floating rate of borrowings that increases interest expense.

(4) Credit risk

A. The Corporate Group's credit risk is the risk of financial loss arising from the failure of customers or counterparties to financial instruments to meet their contractual obligations, mainly from the failure of counterparties to settle accounts receivable on payment terms.

B. For receivables arising from operating activities, the Group has established relevant credit risk management mechanisms and regularly evaluates the financial position, credit limits and other factors of the related debtors, and the current creditworthiness of the receivables is good and there was no significant credit risk according to the assessment. Cash, cash equivalents and financial assets measured at amortized cost that have been assessed to have no significant risk.

C. The Group assumes that a default is deemed to have occurred when payments are more than 60 days overdue in accordance with the contractual payment terms.

D. The Group categorizes accounts receivable from customers according to the characteristics of revenue types and estimates expected credit losses based on the loss ratio method on a simplified basis.

E. The Corporate Group has estimated the allowance for losses on accounts receivable by incorporating forward-looking adjustments to the loss rate established based on historical and current information for a specific period, as the Group's customers are in good credit standing and the overdue accounts receivable and the overdue loss rate were not material as of December 31, 2024 and December 31, 2023.

F. There was no sign of impairment of the Group's notes receivable.

(5) Liquidity risk

A. The Group's finance department prepares future cash flow forecasts to monitor future funding requirements and to ensure that sufficient funds are available for disbursement, and maintains sufficient borrowing facilities to adjust for future funding shortfalls.

B. The following table presents the Group's non-derivative financial liabilities, grouped by the relevant maturity date, which are analyzed based on the remaining period from the balance sheet date to the contractual maturity date. The contractual cash flow amounts disclosed in the Table below are undiscounted amounts.

Non-derivative financial liabilities:

December 31, 2024	Less than 1 year	Less than 1 to 2 years	More than 2 years
Notes payable	$ -	$ -	$ -
Other payables	52,540	-	-
lease liabilities	60,471	67,133	73,983
Guarantee deposits received	-	-	440

Long-term borrowings (including portions due within one year or one operating cycle)	62,847	72,729	265,451
Total	$ 175,858	$ 139,862	$ 339,874

Non-derivative financial liabilities:

December 31, 2023	Less than 1 year	Less than 1 to 2 years	More than 2 years
Short-term borrowings	$ 30,097	$ -	$ -
Notes payable	6,881	-	-
Other payables	47,439	-	-
lease liabilities	59,724	53,080	126,969
Guarantee deposits received	-	-	440
Long-term borrowings (including portions due within one year or one operating cycle)	65,521	66,420	238,797
Total	$ 209,662	$ 119,500	$ 366,206

(II) Fair value information

1. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

   Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

   Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

   Level 3: Unobservable inputs for the asset or liability. The Group's investments in unlisted over-the-counter stocks and beneficiary certificates are classified as such.

2. For financial and non-financial instruments measured at fair value, the Group classifies them based on the basis of the nature, characteristics and risks of the assets and fair value level, and the related information is as follows.

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets at fair value through profit and loss				
Investment in private equity	$ -	$ -	$130,321	$130,321
Financial assets at fair value through other comprehensive income				
Equity security	-	-	4,622	4,622
Total	$ -	$ -	$134,943	$134,943

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets at fair value through profit and loss				
Investment in private equity	$ -	$ -	$102,210	$102,210

Financial assets at fair value through other comprehensive income				
Equity security	-	-	5,111	5,111
Total	$ -	$ -	$107,321	$107,321

3. The following table shows the changes in Level 3 for 2024 and 2023.

	2024	2023
	Non-derivative equity security	Non-derivative equity security
January 1	$ 107,321	$ 109,646
Addition for the period	57,069	50,400
Refunds from capital reduction in the current period	(23,814)	(23,060)
Loss recognized in profit or loss	(5,144)	(16,480)
Profit (loss) recognized in other comprehensive income	(489)	3
Current period sales of marketable securities	-	(13,188)
December 31	$ 134,943	$ 107,321

4. In 2024 and 2023 there were no transfers in or out of Level 3.

5. The Group's valuation process for fair value classification in Level 3 is conducted by the finance and accounting department, which is responsible for conducting independent fair value verification of financial instruments, using independent sources of information to make the valuation results approximate market conditions, confirming that the sources of information are independent, reliable, consistent with other resources and representative of executable prices, and regularly updating the input values and information required by the valuation models and any other necessary fair value adjustments to ensure that the valuation results are reasonable. performing back-testing, updating input values used to be the valuation model and making any other necessary adjustments to the fair value.

6. Quantitative information regarding the significant unobservable input values of the valuation models used for Level 3 fair value measurements and sensitivity analysis of changes in significant unobservable input values are described below.

	December 31, 2024 fair value	Valuation technique	Significant unobservable input value	Interval (Weighted average)	Relationship between input value and fair value
Non-derivative equity security:					
Non-TWSE or TPEx listed stock	$ 4,622	Discounted benefit flow method	Discount for lack of marketability	20%	The higher the discount for lack of marketability and the higher the discount for lack of controlling interests, the lower the fair value
Investment in private equity	130,321	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value

	December 31, 2023 fair value	Valuation technique	Significant unobservable input value	Interval (Weighted average)	Relationship between input value and fair value
Non-derivative equity security:					
Non-TWSE or TPEx listed stock	$ 5,111	Discounted benefit flow method	Discount for lack of marketability	20%	The higher the discount for lack of marketability and the higher the discount for lack of controlling interests, the lower the fair value

Investment in private equity	102,210	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value

7. The Group has carefully evaluated the valuation models and valuation parameters selected and therefore the fair value measurement is reasonable. However, the use of different valuation models or valuation parameters may result in different valuation results. For financial assets and financial liabilities classified as Level 3, the effect on the profit or loss for the period or other comprehensive income if the valuation parameters are changed is as follows.

			December 31, 2024			
			Recognized in profit or loss		Recognized in other comprehensive Income	
	Input value	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial asset						
Equity instruments	The discount for lack of marketability and the discount for lack of controlling interests	±1%	$ -	$ -	$ 46	($ 46)
Investment in private equity	Net asset value	±1%	1,303	(1,303)	-	-
Total			$ 1,303	($ 1,303)	$ 46	($ 46)

			December 31, 2023			
			Recognized in profit or loss		Recognized in other comprehensive Income	
	Input value	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial asset						
Equity instruments	The discount for lack of marketability and the discount for lack of controlling interests	±1%	$ -	$ -	$ 51	($ 51)
Investment in private equity	Net asset value	±1%	1,022	(1,022)	-	-
Total			$ 1,022	($ 1,022)	$ 51	($ 51)

Prime Oil Chemical Service Corporation

Chairman: Liao, Shu-Chun