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2025 Annual Report

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Company website: <https://www.pocs.com.tw/>

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Spokesperson	Acting spokesperson
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Title: Vice President	Title: Vice President
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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>

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One. Letter to shareholders

※2025 operating results

I. Results of 2025 business plan execution

Revenue for the year was NT\$409,937 k, decreased 2% over the previous year (2024), and net profit for the period was NT\$76,600 k, decreased 29% over the previous year. Chemical and oil tank storage leasing revenue in Taichung Port approximately accounted for 90.2% of the revenue and the Energy Division's electricity revenue accounted for 9.8%.

II. Budget execution

The Company did not disclose its 2025 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	2025	2024	Increased (decreased) amount	Change percentage (%)
Net operating revenue	\$409,937	\$418,888	(8,951)	(2%)
Operating cost	(278,656)	(268,133)	10,253	4%
Operating gross margin	131,281	150,755	(19,474)	(13%)
Operating expenses	(68,472)	(66,775)	1,697	3%
Net operating income	62,809	83,980	(21,171)	(25%)
Non-operating income or expenses	29,012	50,211	(21,199)	(42%)
Income before income tax	91,821	134,191	(42,370)	(32%)
Income tax expense	(15,221)	(27,036)	(11,815)	(44%)
Current period net income	76,600	107,155	(30,555)	(29%)
Other comprehensive income for the year (net)	(4,574)	13,060	(17,634)	(135%)
Total comprehensive income for the period	72,026	120,215	(48,189)	(40%)
Basic earnings per share (NTD)	0.98	1.38	(0.4)	(29%)

Analysis and explanation of the increase or decrease percentage:

1. Decrease in sales revenue :

- (1) The Chemical and Oil Tank Storage Division's operating revenue decreased by approximately \$7.65 million, or 2%, mainly due to (A) The oil trading market has experienced significant fluctuations due to the international situation, such as U.S. tariff policies. As a result, revenue from oil tank customers showed a "high-to-low" trend throughout the year. Overall annual revenue increased slightly, while handling

- throughout remained comparable to the previous period. (B) Chemical storage revenue and handling throughout both declined, as chemical tank customers remained affected by the low-priced competition of Chinese chemical products and U.S. tariff policies.
- (2) The Energy Division's revenues decreased by approximately NT\$1,302 thousand, or 3.1%. This was primarily due to the cash sale of certain PV projects (approximately 1.87 MW) to a subsidiary at the end of the previous period. Additionally, domestic project sites were affected by adverse weather conditions this period, such as typhoons and an increased number of rainy days.
2. Increase in operating costs :
- (1) The increase of operating costs in the Chemical and Oil Tank Storage Division was NT\$13.16 million, primarily from :
- (A) Increase in Salary Expenses: Mainly driven by salary increase, and overall increase in overtime hours, and higher consultant fees for project engineering in 2025.
- (B) Increase in Wharfage and Administrative Fees: Primarily resulting from timing differences between the two periods.
- (C) Increase in Miscellaneous Purchases: Chiefly due to a rise in proposal improvement projects aimed at enhancing operational safety, leading to corresponding small-scale engineering modifications or the acquisition and replacement of equipment.
- (D) Increase in Miscellaneous Expenses: Mainly attributed to higher waste disposal costs and equipment maintenance expenses.
- (E) Increase in Nitrogen Costs: Primarily due to the rise in electricity prices, which led to a higher unit price for nitrogen, coupled with a slight increase in usage compared to the previous period.
- (2) The Energy Division's operating costs decreased by approximately NT\$2.64 million. This was primarily attributed to the reduction in related operating costs, such as depreciation, following the cash sale of certain PV projects (approximately 1.87 MW) to a subsidiary at the end of the previous period.
3. Increase in operating expenses :
- Operating expenses increased primarily due to: (1) an increase in payroll expenses, mainly resulting from salary adjustments in 2025; and (2) an increase in professional service fees, primarily attributed to administrative costs incurred by the Energy Division for the acquisition of certain PV projects by three wholly-owned subsidiaries.
4. Decrease in non-operating income and expenses :
- (1) The increase in other income primarily attributable to liquidated damages paid by certain customers for early contract termination, earthquake insurance claim settlements, and an increase in cash dividends received from financial assets measured at fair value through profit or loss (FVTPL);
- (2) The decrease in other gains and losses was mainly due to losses on lease modifications arising from the transfer of solar power projects to subsidiaries, as well as net foreign exchange losses resulting from the depreciation of the U.S. dollar;
- (3) The net decrease in the share of profit or loss of associates and joint ventures accounted for using the equity method was due to the following: the increase was driven by investment income recognized from three wholly-owned subsidiaries following their acquisition of certain PV projects from the Energy Division; however, this was offset by a decrease in investment income from other investee companies.
5. Decrease in income tax expense : It was due to lower net income before income tax resulting from all the factors mentioned above.



6. Decrease in other comprehensive income(net): This was primarily due to a decrease in cumulative translation adjustments as a result of exchange differences on the translation of financial statements of foreign operations and associates, which were impacted by the depreciation of the U.S. dollar during the current period.

Consolidated financial statements

Unit: Thousands of NTD, unless otherwise specified

Item	2025	2024	Increase (decrease) amount	Change percentage (%)
Net operating revenue	\$473,759	\$492,033	(18,274)	(4%)
Operating cost	(325,572)	(311,910)	13,662	4%
Operating gross profits	148,187	180,123	(31,936)	(18%)
Operating expenses	(70,877)	(67,288)	3,589	5%
Net operating profit	77,310	112,835	(35,525)	(31%)
Non-operating income or expenses	14,502	21,347	(6,845)	(32%)
Profit before income tax	91,812	134,182	(42,370)	(32%)
Income tax expense	(15,221)	(27,036)	(11,815)	(44%)
Current period net profit	76,591	107,146	(30,555)	(29%)
Other comprehensive income for the year (net)	(4,574)	13,060	(17,634)	(135%)
Total comprehensive income for the period	72,017	120,206	(48,189)	(40%)
Basic earnings per share (NTD)	0.98	1.38	(0.4)	(29%)

Analysis and explanation of the increase or decrease percentage:

1. Decrease in Operating Revenue:

- (1) The Tank Storage Service Division was affected by (A) fluctuations in the oil trading market due to international factors, such as U.S. tariff policies, resulting in oil tank customer revenue being higher in the first half and lower in the second half of the year; however, full-year revenue still recorded a slight increase, and throughput volume remained comparable to the previous period, and (B) chemical customers continued to be impacted by low-priced competition from Chinese chemical products and U.S. tariff policies, leading to declines in both revenue and throughput volume for chemical tanks; in total, combined revenue decreased by approximately NT\$7.65 million, or 2%.
- (2) The Energy Division's domestic projects experienced a slight decrease in revenue compared to the previous period, mainly due to weather impacts such as typhoons and an increased number of rainy days, while overseas projects saw a significant decline in revenue due to theft incidents at the end of 2024 and the need to replace faulty power generation equipment components; combined, total revenue decreased

by approximately NT\$10.62 million, or 9%.

2. Increase in Operating Costs:
 - (1) The Tank Storage Service Division recorded an increase of approximately NT\$13.16 million, primarily attributable to the following factors: (A) higher personnel expenses, mainly due to salary adjustments in 2025, an increase in total overtime hours, and higher project engineering consultancy fees; (B) increased charges for wharf passage and administrative expenses, mainly due to timing differences between the two periods; (C) higher miscellaneous purchases, primarily driven by an increase in safety improvement proposals, resulting in additional minor engineering modifications and equipment replacement or acquisition; (D) increased miscellaneous expenses, mainly due to higher waste disposal and equipment maintenance costs; and (E) higher nitrogen expenses, mainly due to rising electricity prices leading to an increase in nitrogen unit costs, as well as a slight increase in consumption compared to the previous period.
 - (2) The Energy Division recorded an increase of approximately NT\$0.5 million, mainly due to higher repair and maintenance expenses.
3. Increase in operating expenses: operating expenses were primarily attributable to (1) higher personnel expenses, mainly due to salary adjustments in 2025; and (2) increased service fees, mainly resulting from the Energy Division's acquisition of certain sites from three wholly-owned subsidiaries during the period, which led to higher administrative costs associated with the acquisition process.
4. Decrease in non-operating income or expenses:
 - (1) The increase in other income was mainly due to penalty payments from certain customers for early contract termination, earthquake claims under property insurance, and higher cash dividends received from financial assets measured at fair value through profit or loss;
 - (2) The decrease in other gains and losses was mainly attributable to the recognition of theft losses caused by damage to solar equipment assets at overseas subsidiaries;
 - (3) The share of profit or loss of associates and joint ventures accounted for using equity method decreased, mainly due to reduced investment gains from the investee companies.
5. Income tax expense decreased, reflecting a decline in profit before tax compared to the previous period because of the combined factors described above.
6. Other comprehensive income decreased, as foreign operations and associates' financial statements translation differences were affected by a decline in the U.S. dollar exchange rate during the period, resulting in a reduction of cumulative foreign currency translation adjustments.

※2026 business plan outline

The Chemical and Oil Tank Storage Division

1. Collaboration between Sales and Terminal Operations to enhance revenue and customer satisfaction:
 - (1) Proactive hardware and software configuration in response to evolving customer business models:

To address trends such as the increasing demand for bi-directional flow in gasoline and chemical tanks, as well as insulated tank requirements, we will proactively prepare based on market demand to capture emerging business opportunities.



- (2) Increased frequency of joint customer visits by Sales and Terminal managers:
This initiative facilitates continuous monitoring of oil and chemical market dynamics, customer business profiles, and future development priorities, enabling early adjustments to tank storage service preparations.
 - (3) Expanding opportunities for new customer acquisition and new product storage services:
We are increasing engagement with existing clients, previously interested leads, and potential customers from other channels. By proactively sharing information on tank availability and re-engaging with past customer records, we aim to build a robust pipeline for future cooperation.
 - (4) Establishing effective cross-departmental collaboration mechanisms through an empathetic approach
 - (A) Replacing lengthy sequential waiting periods with rapid, collective assessments.
 - (B) Defining "Termination Conditions for Acceptance" to facilitate swift responses to customer needs.
 - (5) Developing a Chemical Customer Requirements Database:
Designed to empower frontline sales personnel to manage customer expectations in real-time and improve preliminary judgment accuracy. This database aggregates historical service requirements—including successful and unsuccessful leads—and documents reasons for non-closure, such as lead times for tank or pipeline modifications, associated costs, or regulatory constraints.
2. Ensuring Operational Safety and Equipment Maintenance & Upgrades
- (1) Proper scheduling of internal and external tank inspections based on leasing status:
As our storage tanks have been in service for many years, conducting internal and external inspections in compliance with regulations allows us to proactively identify and reinforce aging or vulnerable components, thereby enhancing operational safety. Since tanks are unavailable during inspections—resulting in zero revenue and significant costs—we will consider customer operational needs by providing alternative storage for temporary use or scheduling inspections during periods that minimize the impact on both customer operations and corporate revenue.
 - (2) Inventory management of critical equipment and establishment of a spare parts system:
We are conducting an inventory of critical equipment that significantly impacts daily operations, establishing a comprehensive registry, and maintaining appropriate stock levels of spare parts. This ensures timely replacement in the event of equipment anomalies, reducing potential hazards and downtime spent waiting for parts.
 - (3) Gradual integration of automated auxiliary technologies, such as additional features of the Formosa Plastics Inspection System:
To address the fundamental challenge of labor shortages in terminal maintenance, we will continue to phase in additional features of the Formosa Plastics Inspection System. This initiative aims to streamline routine tasks in inspections, environmental health and safety (EHS), and fire safety, thereby reducing the workload on our personnel. A phased approach will be adopted to avoid adaptation difficulties for staff, excessive implementation costs, and the risk of functional obsolescence due to future regulatory changes.

The Energy Division

1. Leveraging green energy wheeling platforms for existing and future PV projects:

We continue to collaborate with green energy wheeling platforms to sell power from both

existing and future PV projects to corporate users in need of renewable energy. Our goal is to transition all PV projects with FIT (Feed-in Tariff) rates lower than current market prices to wheeling arrangements, thereby maximizing overall project revenue.

2. Strengthening security at Cambodia projects and enhancing generation stability:

We are reinforcing security measures at our project sites in Cambodia to mitigate losses from the theft of cables and equipment. Simultaneously, we are partnering with reputable local EPC (Engineering, Procurement, and Construction) firms to conduct regular inspections and ensure consistent power generation stability.

3. Collaborating with diverse strategic partners to expand operational scale: Engaging with EPC firms, industry associations, and small-to-medium-sized energy companies to broaden market information channels and evaluate the acquisition of high-quality operational PV projects.

(1) Gradual integration of automated auxiliary technologies, such as additional features of the Formosa Plastics Inspection System:

(2) Partnering with financial strategic investors, such as private equity funds or major renewable energy corporations, to selectively divest certain PV projects. This strategy allows us to realize future operating gains early and recover cash for next-phase investment planning.

(3) Exploring the feasibility of participating in new renewable energy projects with major industry players and associations, or entering mature overseas markets such as Japan to expand our global operational footprint.

※ 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. Geopolitical Instability:

The Russia-Ukraine war, which erupted in early 2022, persists without signs of ceasing. Additionally, conflict broke out between Israel and Hamas in the fourth quarter of 2023. Although a first-phase peace plan was reached in October 2025, sporadic clashes continue. This persistent geopolitical instability continues to introduce uncertainties for the stable global supply of crude oil.

2. Global Energy and Economic Impact:

The Russia-Ukraine conflict has triggered a global energy crisis, driving sharp price increases for oil, electricity, and natural gas worldwide. Furthermore, the war has severely disrupted the supply of staple foods like wheat, causing prices to soar. The resulting inflation has significantly strained national finances and livelihoods, eroding purchasing power and leading to sluggish end-consumer demand.

3. Monetary Policy and Financing Costs:

In response to escalating inflation, nations have initiated interest rate hike cycles. Although some countries are nearing the end of these cycles, the difficulty and cost of corporate financing have increased significantly.

4. Cross-Strait Tensions:

The ongoing tension in cross-strait relations continues to impact the confidence of international oil traders in leasing storage facilities.

5. **Regulatory and Social Perception of the Petrochemical Industry:**
Following incidents like the Kaohsiung gas explosions and the 2020 Beirut ammonium nitrate blast, pipeline management and industrial safety in the petrochemical sector have come under intense scrutiny. A diminished social acceptance of the industry, combined with a lack of consensus between central and local governments regarding the establishment of dedicated petrochemical zones, has restricted the overall development of the domestic petrochemical industry.
6. **Environmental and Climate Challenges:**
The heightening focus on environmental issues such as extreme weather and global warming—along with efforts to reduce fossil fuel use, carbon emissions, and achieve net-zero targets—has led to steadily increasing operating costs for petrochemical-related businesses.
7. **Demographic Shifts and Labor Shortages:**
Impacted by an aging population and declining birth rates in Taiwan, industries are facing severe labor shortages. The difficulty in recruiting technical talent, coupled with high housing prices and inflation, has resulted in rising overall payroll costs.
8. **Domestic Renewable Energy Development:**
In recent years, the growth of renewable energy in Taiwan has faced setbacks due to several factors, including frequent corruption allegations, disaster prevention mechanisms exposed as inadequate by typhoon damage, and environmental impact assessment controversies for large-scale PV projects. These factors suggest that national renewable energy policies will undergo a period of restructuring.
9. **Tightening Regulations:**
Increasingly stringent environmental, health, and safety (EHS) regulations will continue to escalate operating costs.

II. Future development strategies

The Chemical and Oil Tank Storage Division

1. **Revenue Growth:** Drive overall revenue enhancement through optimized operations and expanded service offerings.
2. **Operational Safety and Infrastructure Upgrades:** Ensure the highest standards of operational safety and implement a systematic maintenance and upgrade program for all equipment.

The Energy Division

1. **Transition to CPPA Models:** Transition existing and future PV projects to the Corporate Power Purchase Agreement (CPPA) green energy wheeling model to maximize asset value.
2. **Operational Resilience in Cambodia:** Continually strengthen security protocols and power generation stability for project sites in Cambodia.
3. **Expansion and Investment:** Collaborate with strategic partners to acquire operational projects, invest in new renewable energy ventures, or enter overseas renewable energy markets.

New Business Development

1. **Organizational Transformation:** Communicate the imperative for strategic transformation to heighten crisis awareness among employees and foster a culture of change.

2. Project Task Force: Select managers from various fields to form a dedicated project team for identifying and evaluating viable new business opportunities.
3. Strategic Networking: Actively participate in industry associations to stay abreast of market trends, expand industry networks, and increase the success rates of strategic collaborations, investments, or M&A activities.

Human Resources Development Strategy

1. Compensation Optimization: Gradually refine the salary structure to align with market benchmarks and enhance talent competitiveness.
2. Mentorship and Training: Establish a formal mentorship system complemented by comprehensive training programs to facilitate knowledge transfer.
3. Enhanced Communication: Increase the frequency of one-on-one meetings between managers and subordinates to foster employee engagement.
4. Employee Well-being: Prioritize the physical and mental health of all staff members.
5. Process and Tool Innovation: Continually optimize workflows and integrate new digital tools to improve operational efficiency.

Chairman:
Liao, Shu-Chun

Managerial officer:
Yeh, Tang-Jung

Accounting officer:
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, 2026

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	2025.06.10	3 years	2003.06.20	0	0%	0	0%	-	-	-	-	Paris-Sorbonne University Chairman of Prime Oil Chemical Service Corporation.	Chairman of the Company; 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., Ltd.	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)
Vice chairman and Senior vice president	Taiwan	ABACUS DISPLAY INFINITY CORPORA TION. * Representat ive: Su, Kung-Ming	Male/61~70 years old	2025.06.10	3 years	2025.06.10	32,171,849 *0	41.33% *0%	32,171,849 *0	41.33% *0%	-	-	-	-	South Asia Institute of Technology Department of Textile Engineering Director, Hong Liang International Co., Ltd.	Vice chairman and Senior vice president; Director of He Zhen Feng Co., Ltd.	None	None	None	
Director	Taiwan	Chen, Yung-Chin	Male/over 70 years old	2025.06.10	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 Ltd. ;Director of United Way of Taiwan	None	None	None	
Director	Taiwan	ABACUS DISPLAY INFINITY CORPORA TION. * Representati ve: Tang, Chin-Yung	Female/ 61~70 years old	2026.03.17	2 years	2026.03.17	32,171,849 *0	41.33% *0%	32,171,849 *0	41.33% *0%	-	-	-	-	Master's degree from the School of Business at Soochow University; Department of Law at National Taiwan University	Manager of the Operations Department and Deputy General Manager at the Head Office of Land Bank of Taiwan; Director of Taiwan Financial Asset Services Co., Ltd.	None	None	None	
Independent director	Taiwan	Ho, Kuo-Chen	Male/over 70 years old	2025.06.10	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	Lin, Tung-Chiao	Male/61~70 years old	2025.06.10	3 years	2025.06.10	0	0%	0	0%	-	-	-	-	Department of Finance and Taxation, National Chengchi University Partner, PwC Taiwan	Independent Director of Tainan Spinning Co., Ltd.	None	None	None	
Independent director	Taiwan	Chen, Lung-Tai	Male/51~60 years old	2025.06.10	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, 2026

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, 2026

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, 2026

Name	Criteria	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	Has at least five years of relevant work experience in business, legal affairs, finance, accounting, or corporate operations; has served as the Company's Chairman since 2003; Does not fall under any of the circumstances specified in Article 30 of the Company Law.	The Chairman of Liao, Shu-Chun currently serves as a director of a related company.	None	None
Chen, Yung-Chin	Has at least five years of relevant work experience in business, legal affairs, finance, accounting, or corporate operations; has previously served as a Partner or Deputy Managing Partner at PwC Taiwan and as an Assistant Professor at Soochow University; Does not fall under any of the circumstances specified in Article 30 of the Company Law.	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: Su, Kung-Ming	Has at least five years of relevant work experience in business, legal affairs, finance, accounting, or corporate operations, and has served as the Company's senior vice president since 2009; Does not fall under any of the circumstances specified in Article 30 of the Company Law.	Director Su, Kung-Ming is the vice chairman and senior vice president of the Company and serves as a supervisor of a related company.	None	
ABACUS DISPLAY INFINITY CORPORATION. * Representative: Tang, Chin-Yung (took office on 2026/3/17)	Has at least five years of relevant work experience in business, legal affairs, finance, accounting, or corporate operations; has previously served as Manager of the Business Department at the head office of Land Bank of Taiwan, Deputy General Manager of the head office, and Director of Taiwan Financial Asset Services Co., Ltd. ;Does not fall under any of the circumstances specified 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	

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	At least five years of relevant work experience in business, legal affairs, finance, accounting, or corporate operations; served as a president of KNH ENTERPRISE Co., Ltd. from 1999 to 2020; Does not fall under any of the circumstances specified in Article 30 of the Company Act.	All three independent directors (1) do not fall under any of the circumstances listed in Article 3, Paragraph 1, Items 1 to 9 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies,” and are therefore considered independent.	None
Lin, Tung-Chiao	At least five years of relevant work experience in business, legal affairs, finance, accounting, or corporate operations; previously served as a partner at PwC Taiwan and graduated from the Department of Finance and Taxation at National Chengchi University; Does not fall under any of the circumstances specified in Article 30 of the Company Law.	(2) Neither they, their spouse, nor relatives within the second degree of kinship serve as directors, supervisors, or employees of POCS or its affiliated enterprises. (3) Neither they, their spouse, nor relatives within the second degree of kinship hold any shares of POCS. (4) Do not serve as directors, supervisors, or employees of	None
Chen, Lung-Tai	Possesses at least five years of work experience in business, legal affairs, finance, accounting, or corporate operations; previously served as a director of Dexin Securities Co., Ltd. ;has served as a supervisor of Chaoching Investment Co., Ltd. since 2016; served as the head of internal audit at Dexin Securities Co., Ltd. from April 2019 to June 2024; has served as the head of the proprietary trading department at Dexin Securities Co., Ltd. since July 2024; No circumstances described in any of the provisions of Article 30 of the Company Act.	companies with specific relationships with POCS (refer to Article 6, Paragraph 1, Items 5-8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies). (5) Have not received any compensation for providing business, legal, financial, accounting, or other services to POCS or its affiliated enterprises in the past two years.	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 a sound board composition and structure, in addition to limiting the number of directors who also serve as company managers to no more than one-third of the total number of directors, the company shall also ensure that its board members possess diverse industry experience and professional capabilities. The implementation of the board member diversity policy is as follows:

Name of directors	Basic Composition			Concurrently employed as an employee of this company	Industry Experience					Professional Capabilities		
	Country	Gender	Age		Energy and Environmental Protection	Accounting and Finance	Mergers and Acquisitions	Financial Law	Management	Business and Legal	Accounting and Marketing	Industry Knowledge
Liao, Shu-Chun	Taiwan	♂	41~50 years old		√	√	√	√	√	√	√	√
Chen, Yung-Chin			over 70 years old		√	√	√	√	√	√	√	√
ABACUS DISPLAY INFINITY CORPORATION. * Representative: Su, Kung-Ming		♂	61~70 years old	√	√	√	√	√	√	√	√	√
ABACUS DISPLAY INFINITY CORPORATION. * Representative: Tang, Chin-Yung (took office on 2026/3/17)		♀	61~70 years old			√	√	√	√	√	√	√
Ho, Kuo-Chen		♂	over 70 years old			√	√	√	√	√	√	√
Lin, Tung-Chiao			61~70 years old			√	√	√	√	√	√	√
Chen, Lung-Tai			51~60 years old			√	√	√	√	√	√	√

The specific management objectives and achievements of our company's board of directors' diversity policy are as follows:

Management Objectives	Achievement Status
Directors who also serve as company managers should not exceed one-third of the total number of directors	Achieved
At least one director should be a certified public accountant	Achieved
At least two directors should have a background in energy and environmental protection	Achieved
Independent directors should exceed one-third of the total number of directors	Achieved
Any gender should account for one-third of the total number of directors	Following the board election on June 10, 2025, there was one female director; however, the number of female directors did not reach one-third of the total number of directors.

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 date of publication of the annual report, 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: Currently, independent directors account for 42.86% of the Company's total board membership. The Board consists of male directors (85.71%); following the board election on June 10, 2025, one female director was appointed. All current directors possess the professional expertise required for the Company's operations. In the future, the Company will prioritize the recruitment of female director candidates with the aim of achieving a target where female directors hold at least one-third of the total board seats.

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 2025

Title	Name	Training date	Course organizer	Topic of Course
Chairman	Liao, Shu-Chun	2025/09/30	Taiwan Corporate Governance Association	Corporate Innovation, Growth, and AI
		2025/07/25	Securities and Futures Institute	The Great Wafer War: The Impact of TSMC's Key Technologies and Global Strategy on the Semiconductor Industry
Vice chairman and Senior vice president	ABACUS DISPLAY INFINITY CORPORATION. * Representative: Su, Kung-Ming	2025/07/03	Securities and Futures Institute	Shareholders' Meetings, Control Rights, and Equity Strategies
		2025/06/24~2025/06/25	Securities and Futures Institute	Practical Training Workshop for Directors, Supervisors (including independent), and Corporate Governance Officers—Taipei Session
Director	Chen, Yung-Chin	2025/08/12	Taiwan Institute of Directors	AI-Driven Digital Transformation and Commercial Innovation Applications
		2025/05/13	Taiwan Institute of Directors	Global Corporate Management Strategies
Director	ABACUS DISPLAY INFINITY CORPORATION. * Representative: Lee, Ming-Guen (Removed from office on 2026/3/17)	2025/10/15	Securities and Futures Institute	M&A Practices and Case Studies
		2025/09/19	Securities and Futures Institute	Practical Implementation of Internal Controls for Sustainable Information Management
		2025/09/10	Securities and Futures Institute	Financial Applications and Regulatory Challenges of Virtual Assets
		2025/08/20	Securities and Futures Institute	Operational Strategies and Outlook for Taiwanese PMI Manufacturers in the Second Half of the Year Amid Trump's Retaliatory Tariff Storm
Independent director	Ho, Kuo-Chen	2025/10/23	Securities and Futures Institute	The Necessity of Creating a Diverse and Inclusive Organizational Environment
		2025/10/15	Securities and Futures Institute	Practical Aspects of Corporate Mergers and Acquisitions and Case Studies
Independent director	Lin, Tung-Chiao	2025/09/09	Securities and Futures Institute	Analysis and Case Studies of Breach of Trust and Special Breach of Trust Offenses

Title	Name	Training date	Course organizer	Topic of Course
		2025/08/08	Taiwan Institute of Directors	Diversified Business Strategies for Asset Development
		2025/06/11	Securities and Futures Institute	Discussion of Post-Merger Integration Issues and Establishment of Management Mechanisms
		2025/05/09	Taiwan Institute of Directors	Future Trends in the Global Economy and Markets
Independent director	Chen, Lung-Tai	2025/09/19	Securities and Futures Institute	Practical Implementation of Internal Controls for Sustainable Information Management
		2025/08/22	Securities and Futures Institute	Current Status and Future Developments in Virtual Asset Regulation

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

April 30, 2026

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
Vice chairman and Senior vice president		Su, Kun-Ming		2009.12.01	-	-	-	-	-	-	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-Lun g		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 (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 (Note 7)	
Chairman	Liao, Shu-Chun	5,953	5,953	488	488	534	534	36	36	7,011	7,011	not applicable								7,011	7,011	None
	Chen, Yung-Chin	0	0	0	0	421	421	36	36	457	457	not applicable								457	457	
	ABACUS DISPLAY INFINITY CORPORATION.* Representative: Zen, Hong-Tzeng Removed from office on 2025/6/10	0	0	0	0	146	146	12	12	158	158	not applicable								158	158	
	ABACUS DISPLAY INFINITY CORPORATION.* Representative: Yeh, Tang-Jung Removed from office on 2025/6/10	0	0	78	78	195	195	12	12	285	285	1,219	1,219	60	60	85	0	85	0	1,650	1,650	
	ABACUS DISPLAY INFINITY CORPORATION.* Representative: Su, Kung-Ming took office on 2025/6/10	0	0	88	88	207	207	24	24	319	319	1,162	1,162	44	44	93	0	93	0	1,619	1,619	
	ABACUS DISPLAY INFINITY CORPORATION.* Representative: Lee, Ming-Guen took office on 2025/6/10 Removed from office on 2026/3/17	0	0	46	46	225	225	24	24	295	295	652	652	28	28	47	0	47	0	1,022	1,022	
Independent director	Ho, Kuo-Chen	0	0	0	0	440	440	30	30	470	470	not applicable								470	470	
	Jang, Jr-Yan Removed from office on 2025/6/10	0	0	0	0	155	155	12	12	167	167	not applicable								167	167	

	Chen, Lung-Tai	0	0	0	0	415	415	36	36	451	451		451	451
	Lin, Tung-Chiao took office on 2025/6/10	0	0	0	0	236	236	24	24	260	260		260	260
										0.59%	0.59%		0.59%	0.59%
										0.34%	0.34%		0.34%	0.34%

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
		The Company	All companies in the financial	The Company	All companies in the financial	The Company	All companies in the financial	The Company	All companies in the financial (Note 5)	The Company	All companies in the financial	

			statements (Note 5)		statements (Note 5)		statements (Note 5)	Cash amount	Stock amount	Cash amount	Stock amount		statements (Note 5)	company (Note 9)
President	Yeh, Tang-Jung	2,174	2,174	60	60	507	507	435	0	435	0	3,176 4.15%	3,176 4.15%	None
Vice chairman and Senior vice president	Su, Kun-Ming	1,739	1,739	44	44	333	333	300	0	300	0	2,416 3.15%	2,416 3.15%	None
Senior vice president	Jiang, Shu-Kai	1,560	1,560	103	103	320	320	300	0	300	0	2,282 2.98%	2,282 2.98%	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	2,174	2,174	60	60	507	507	435		435		3,176 4.15%	3,176 4.15%	None
Vice chairman and Senior vice president	Su, Kun-Ming	1,739	1,739	44	44	333	333	300		300		2,416 3.15%	2,416 3.15%	
Senior vice president	Jiang, Shu-Kai	1,560	1,560	103	103	320	320	300		300		2,282 2.98%	2,282 2.98%	
Vice president	Hsu, Chien	1,473	1,473	95	95	223	223	206		206		1,997 2.61%	1,997 2.61%	
Vice president	Liang, Shyh-Chuan	1,232	1,232	76	76	264	264	266		266		1,839 2.40%	1,839 2.40%	

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

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

Unit: Thousand NTD

	Title (Note 1)	Name (Note 1)	Stock amount	Cash amount	Total	Total amount as a percentage of net income after tax (%)
Managerial officer	President	Yeh, Tang-Jung	0	1,991	1,991	2.60%
	Vice chairman and Senior vice president	Su, Kun-Ming				
	Senior vice president	Jiang, Shu-Kai				
	Vice president	Hsu, Chien				
	Vice president	Lin Zhi-long				
	Vice president	Liang, Shyh-Chuan				
	Treasurer	Lee, Ming-Guen				
Controller	Huang, Yi-Yin					

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	2025		2024	
	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)	9,873	12.89%	10,741	10.02%
Supervisor	0	0	0	0
President and senior vice president	7,873	10.28%	7,701	7.19%

- 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.
- 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.
- 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 6 times in 2025 (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	6	0	100%	There were 6 Board meetings in 2025
Vice chairman and Senior vice president	ABACUS DISPLAY INFINITY CORPORATION. * Representative: Su, Kung-Ming (took office on 2025/6/10)	3	1	75%	There were 4 Board meetings in 2025
Director	Chen, Yung-Chin	5	1	83%	There were 6 Board meetings in 2025
	ABACUS DISPLAY INFINITY CORPORATION. * Representative: Zen, Hong-Tzeng (Removed from office on 2025/6/10)	1	1	50%	There were 2 Board meetings in 2025
	ABACUS DISPLAY INFINITY CORPORATION. * Representative: Yeh, Tang-Jung (Removed from office on 2025/6/10)	2	0	100%	
	ABACUS DISPLAY INFINITY CORPORATION. * Representative: Lee, Ming-Guen (took office on 2025/6/10)	4	0	100%	There were 4 Board meetings in 2025
Independent director	Ho, Kuo-Chen	5	1	83%	There were 6 Board meetings in 2025
	Jang, Jr-Yan (Removed from office on 2025/6/10)	1	1	50%	There were 2 Board meetings in 2025
	Lin, Tung-Chiao (took office on 2025/6/10)	4	0	100%	There were 4 Board meetings in 2025



Title	Name (Note 1)	Attendance in person (B)	By Proxy	Attendance Rate (%) [B/A] (Note 2)	Remarks
	Chen, Lung-Tai	6	0	100%	There were 6 Board meetings in 2025

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 29 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 17 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: 2025/1/1-2025/12/31	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 Committee's Performance Evaluation	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.

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, 2025 to December 31, 2025.

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 2025 (A, note 2), and the attendance of independent directors in the meetings is as follows:

Title	Name (Note 1)	Attendance in person (B)	By Proxy	Attendance Rate (%) [B/A] (Note 2)	Remarks
Independent directors	Ho, Kuo-Chen	4	1	80%	There were 5 meetings in 2025
	Jang, Jr-Yan (Removed from office on 2025/6/10)	1	1	50%	There were 2 meetings in 2025
	Lin, Tung-Chiao (took office on 2025/6/10)	3	0	100%	There were 3 meetings in 2025
	Chen, Lung-Tai	5	0	100%	There were 5 meetings in 2025

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 15th meeting	1.Communication Report between the Accountant	Passed by the approval of all	Submitted to the Board of

2025.03.13	<p>and the Corporate Governance Unit and Management Team</p> <p>2.Internal Audit Business Report</p> <p>3. Other Important Reports</p> <p>4.Proposal for the Assessment of the Effectiveness of Internal Control System and the Statement of Internal Control for the Year 2024</p> <p>5.The Company’s Standalone and Consolidated Financial Statements for the Year 2024</p> <p>6.Proposal for Pre-approval of the List of Non-Assurance Services to Be Provided by the Certifying CPA Firm</p> <p>7.Proposal for Distribution of 2024 Earnings – Cash Dividends</p> <p>8.Proposal for Distribution of 2024 Earnings</p> <p>9.The Company’s 2024 Business Report</p> <p>10.Amendment to the Company’s “Procedures for Acquisition or Disposal of Assets”</p> <p>11.Amendment to the Company’s “Procedures for Endorsements and Guarantees”</p> <p>12.Amendment to the Company’s “Audit Committee Charter”</p> <p>13.Proposal for the Company’s Subsidiary to Acquire Solar Photovoltaic Power Generation Equipment Projects Held</p>	attendant members	Directors for discussion
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	by the Company's Energy Division		
1th term 16th meeting 2025.05.13	<ol style="list-style-type: none"> 1. Internal Audit Business Report 2. Other Important Reports 3. The Company's Consolidated Financial Statements for the First Quarter of Fiscal Year 2025 4. Proposal Regarding the Appointment and Remuneration of the Company's Certified Public Accountant for Fiscal Year 2015, and the Assessment of the CPA's Independence and Competence 	Passed by the approval of all attendant members	Submitted to the Board of Directors for discussion
2th term 1th meeting 2025.08.14	<ol style="list-style-type: none"> 1. Internal Audit Business Report 2. The Company's Consolidated Financial Statements for the Second Quarter of Fiscal Year 2025 3. The Company intends to provide endorsement guarantees for its subsidiaries, "Yu Feng Green Energy Co., Ltd." and "Kuan Tai Green Energy Co., Ltd." 4. Matters Regarding the Company's Provision of Endorsement Guarantees for Subsidiary "Yu Feng Green Energy Co., Ltd." 	Passed by the approval of all attendant members	Submitted to the Board of Directors for discussion
2th term 2th meeting 2025.11.13	<ol style="list-style-type: none"> 1. Internal Audit Business Report 2. Other Important Reports 3. The Company's Consolidated Financial Statements for the Third Quarter of Fiscal Year 2025 4. The Company's Internal 	Passed by the approval of all attendant members	Submitted to the Board of Directors for discussion

	Audit Plan for the Year 2026		
2th term 3th meeting 2025.12.30	1. Communication Report between the Accountant and the Corporate Governance Unit and Management Team 2. Other Important Reports 3. Proposal to Establish the Company's Amend the Internal Control System and Internal Audit Implementation Rules	Passed by the approval of all attendant members	Submitted to the Board of Directors for discussion
2th term 4th meeting 2026.03.12	1. Communication Report between the Accountant and the Corporate Governance Unit and Management Team 2. Other Important Reports 3. The "Assessment of the Effectiveness of the Internal Control System" and the "Statement of Internal Control System" for the year ended December 31, 2025 4. Individual and consolidated financial statements for the year ended December 31, 2025 5. Proposal for Distribution of 2025 Earnings in Cash Dividends — For Discussion 6. Proposal for Distribution of 2025 Earnings 7. The Company's 2025 Business Report	Passed by the approval of all attendant members	Submitted to the Board of Directors for discussion

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		In accordance with Article 13 of the "Code of Corporate Governance Practices," the Company should designate dedicated personnel to properly handle shareholder suggestions, inquiries, and disputes. Accordingly, the Company has implemented a spokesperson system, designating a spokesperson and a deputy spokesperson as the dedicated points of contact for communication with shareholders, responsible for promptly addressing all shareholder suggestions and concerns. In the event of litigation initiated by shareholders in accordance with the law, the Company shall handle such matters in accordance with the law and, depending on the circumstances, engage legal counsel to provide legal assistance to protect the interests of the Company and its shareholders.	
(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.	

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	
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 qualifications.	No difference.
(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	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									
			<p>with the Company.</p> <p>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.</p> <p>5. Whether the non-audit services provided by the appointed CPAs to the Company will directly affect the important items of the audit case.</p> <p>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 16th meeting of the 19th Board of Directors on 2025/5/13 for approval.</p>									
<p>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.)?</p>	V		<p>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.).</p> <p>Education and training for the corporate governance officer in 2025</p> <table border="1"> <thead> <tr> <th>Course organizer</th> <th>Course name</th> <th>Training date</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Securities and Futures Institute</td> <td>Taiwan PMI Manufacturers' Operating Strategies and Outlook for the Second Half of the Year Amid Trump's Reciprocal Tariff Storm</td> <td>2025/08/20</td> </tr> <tr> <td>Financial Applications and Regulatory Challenges of Virtual Assets</td> <td>2025/09/10</td> </tr> </tbody> </table>	Course organizer	Course name	Training date	Securities and Futures Institute	Taiwan PMI Manufacturers' Operating Strategies and Outlook for the Second Half of the Year Amid Trump's Reciprocal Tariff Storm	2025/08/20	Financial Applications and Regulatory Challenges of Virtual Assets	2025/09/10	No difference.
Course organizer	Course name	Training date										
Securities and Futures Institute	Taiwan PMI Manufacturers' Operating Strategies and Outlook for the Second Half of the Year Amid Trump's Reciprocal Tariff Storm	2025/08/20										
	Financial Applications and Regulatory Challenges of Virtual Assets	2025/09/10										

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					
			<table border="1"> <tr> <td>Practices in Establishing Internal Controls for Sustainable Information Management</td> <td>2025/09/19</td> </tr> <tr> <td>Corporate Mergers and Acquisitions Practices and Case Studies</td> <td>2025/10/15</td> </tr> </table>	Practices in Establishing Internal Controls for Sustainable Information Management	2025/09/19	Corporate Mergers and Acquisitions Practices and Case Studies	2025/10/15	
Practices in Establishing Internal Controls for Sustainable Information Management	2025/09/19							
Corporate Mergers and Acquisitions Practices and Case Studies	2025/10/15							
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 (I). Has the Company set up a website to disclose finance and business matters and corporate governance 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.)? (III). Does the Company publicly announce and file annual financial statements within two	V V		<p>The company's website has a special section for important information, financial information, and stock affairs information.</p> <p>The Company has set up an English website, designated a dedicated person responsible for collecting and disclosing company information, and implemented the spokesperson system.</p> <p>The Company announces and reports its annual financial statements within three months after the fiscal year.</p>	No difference for all.				

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	
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		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 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.)?	V		Labor Relations: Please refer to page 113. Continuing educations of directors and supervisors: Please refer to page 17. Implementation of risk management policies and risk measurement standards: Please refer to Risks on page 130.	No difference.
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.				

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.30,2026

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 General Manager of KNH ENTERPRISE CO., Ltd. There are no cases under Article 30 of the Company Act, Please refer to page 10.	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 10.	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	Lin, Tung-Chiao	Department of Taxation, National Chengchi University. There are no cases under Article 30 of the Company Act, Please refer to page 10.	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.	1
Others	Wu, Gui-Long	Soochow University. Master of Business and Economics. General Manager of HRFUN MANAGEMENT CONSULTANT CO. There are no cases under 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

- 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.

5. 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 7th 2025.3.10	The Company's 2025 managerial officers promotion and salary increase.	None
	The amount of bonus remuneration for directors and supervisors and the amount of bonus remuneration for employees for 2024, and the distribution measure rules of bonus remuneration for employees for 2024.	None
	Amending the Articles of Incorporation of the Company.	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.	
6th 1th 2025.12.23	The Company's 2025 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: 20 June, 2025 to 10 June, 2028, 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	1	0	100%	Non Appointment (Eff. 19 June 2025)
Member	Lin, Tung-Chiao	1	0	100%	Appointment (Eff. 20 June 2025)
Member	Wu, Gui-Long	2	0	100%	
<p>Other matters recorded:</p> <p>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.</p> <p>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.</p> <p>III. Description of the scope of capacity of the members.</p> <p>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, supervisors, and senior managerial officers, which are reviewed by the Remuneration Committee and submitted to the Board of Directors for resolution.</p> <p>The Remuneration Committee proposes to the Board of Directors a Remuneration policy structure and bonus distribution suggestion based on the performance evaluation of senior</p>					

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 the Environmental Management System (ISO 14001:2015) in 1997 and established a dedicated department to supervise, audit, and evaluate the performance of environmental management implementation. We not only identify and review significant environmental impacts and potential variables within our existing operating models annually for further	No difference.



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	
(II) Is the Company committed to improving resource utilization efficiency and using recycled materials with low impact on the environment?	V		<p>control but also develop energy-saving plans and monitor resource utilization efficiency to set improvement targets for the following year.</p> <p>2. We have achieved certification for both ISO 45001 and CNS 45001 management systems. Committed to continuous improvement, we strive to reduce pollution and optimize resource utilization. Our environmental management systems are subject to scheduled and unscheduled audits by regulatory bodies and third-party agencies to ensure consistent, effective operation.</p> <p>1. Based on the characteristics of the petroleum and chemical storage industry, our EHS Department continuously identifies regulations concerning stationary pollution sources, toxic and concerned chemical substances, soil and groundwater, waste, and other applicable laws. We collect and compile "Organizational Context Analysis" tables from all departments (covering regulatory identification, stakeholders, and internal/external issues). Each department then plans and implements EHS management programs for tasks involving compliance, external requirements, or high operational risks. By adopting the PDCA (Plan-Do-Check-Act) cycle for continuous improvement, we aim to ensure regulatory compliance, meet external requirements, and mitigate operational risks.</p> <p>2. Since 2019, the Company has progressively upgraded the boilers and auxiliary equipment (storage tanks and pipelines) at the West-2 and West-5 Tank Farms. Starting in 2020, we fully transitioned to industrial low-sulfur fuel oil (palm oil) to replace conventional heavy fuel oils (No. 4–6). Boiler trial run tests for stationary pollution source operation permits were completed at both tank farms by 2021. Although there has been no demand for storing or transferring chemicals requiring heating in recent years—leaving the boiler systems on standby—the Company continues to perform regular inspections. The 2025 self-assessment emission test results for boilers at both sites successfully met the Boiler Air Pollutant Emission Standards. (particulate matter: 30 mg/Nm³, sulfur oxides: 50 ppm, nitrogen oxides: 100 ppm).</p>
(III) Does the Company evaluate the potential risks and	V		<p>The Company is progressively integrating climate change issues into its Organizational</p> <p>No difference.</p> <p>The study and planning are in</p>

Evaluation item	The state of operations (Note 1)		Summary description	The differences from the “Corporate Social Responsibility Best Practice Principles for TWSE or TPEX Listed Companies”, and the reason
	Yes	No		
opportunities of climate change to the Company now and in the future, and take corresponding measures to respond to climate related issues?			<p>Context Analysis to assess related risks and opportunities. We identify [risks/opportunities] based on the four-pillar framework of Governance, Strategy, Risk Management, and Metrics and Targets:</p> <p>1. Significant Climate Risks</p> <ul style="list-style-type: none"> ● Transition Risk – Market Uncertainty and Changes in Consumer/Customer Behavior: In response to climate change, customers may favor low-carbon products or specific specialty chemical raw materials. Failure to meet these requirements promptly could lead to reduced orders and declining revenue. This risk accounts for the highest proportion of potential financial impact. ● Transition Risk – Carbon Pricing Mechanisms: Global trends in carbon pricing and carbon borders (tariffs) will increase asset maintenance and operating costs. The Company anticipates that future carbon fees will impact operating costs. ● Physical Risk – Increased Wind Speeds under Normal Weather Conditions: Strong winds may lead to port closures at the Port of Taichung, supply chain disruptions for customers, and equipment damage. These events could also lead to environmental pollution or casualties, further increasing operating costs. <p>2. Significant Climate Opportunities</p> <p>The Company has identified two significant opportunities:</p> <ul style="list-style-type: none"> ● Increased Demand for Renewable Energy: In the future, a portion of electricity consumption can be sourced from renewable energy to mitigate the impact of energy price fluctuations. Furthermore, the sale of renewable power can generate new revenue streams. ● Development or Expansion of Low-carbon Products and Services: Proactively implementing carbon footprinting can enhance service value-added and competitiveness, thereby increasing orders and revenue. <p>We has developed corresponding management measures and strategies for different risk scenarios:</p> <ul style="list-style-type: none"> ● Strengthening Facility Resilience: 	progress.



Evaluation item	The state of operations (Note 1)		Summary description	The differences from the “Corporate Social Responsibility Best Practice Principles for TWSE or TPEX Listed Companies”, and the reason
	Yes	No		
(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	V		<ul style="list-style-type: none"> ● Conducted comprehensive reviews of equipment weather resistance. Environmental characteristics are integrated into the initial site design, with construction standards set to withstand Level 17 gusts. ● Regular maintenance of storage tank insulation systems to reduce thermal energy loss. ● Promoting Energy Transition and Conservation: <ul style="list-style-type: none"> ● Since 2020, the Company began replacing heavy oil with palm oil as boiler fuel; this transition was fully completed in 2021, effectively reducing pollutant emissions. ● Implemented the ISO 14064-1 Greenhouse Gas (GHG) Accounting and Verification management system and established carbon reduction targets accordingly. ● Mastering Market and Technology Trends: <ul style="list-style-type: none"> ● Continuous monitoring of low-carbon environmental standards and emerging technologies in the renewable energy sector to enhance business development capabilities. ● Evaluating the feasibility of transitioning petrochemical equipment for renewable energy use and investing in the planning and construction of renewable energy sites. ● Investment in Management Measures: <ul style="list-style-type: none"> ● Formulated emergency response plans and secured insurance coverage for natural disasters. ● Executed carbon footprinting implementation projects and provided training for personnel on monitoring and record-keeping. <p>1. Greenhouse Gas Emissions Summary The Company has implemented a GHG accounting system to track emission trends. Based on the most recent data, the following summary outlines our emission performance over the past two years:</p>	The study and planning are in progress.

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									
conservation and carbon reduction, greenhouse gas reduction, water consumption reduction or other waste management?			<table border="1"> <thead> <tr> <th>Year</th> <th>2025</th> <th>2024</th> <th>Unit</th> </tr> </thead> <tbody> <tr> <td>carbon emissions</td> <td>1,044.683</td> <td>1,101.707</td> <td>Tons CO₂e</td> </tr> </tbody> </table> <p>2. The Company integrates carbon reduction awareness into its daily operations and has established the following policy measures:</p> <ul style="list-style-type: none"> • Equipment Replacement and Optimization: For the Energy Business Division, we evaluate replacing inverters at project sites that have been in operation for over 10 years with high-efficiency models. For the Chemical Storage Tank Business Division, we implement boiler energy-saving plans and maintain tank insulation systems to minimize thermal energy loss. • Renewable Energy Transition: We actively develop solar photovoltaic and energy storage systems. Additionally, we plan to partially adopt renewable energy or low-carbon fuels within our warehousing and logistics services to mitigate the impact of energy price fluctuations. • Smart Monitoring and Management: We have introduced "Smart Power Generation Monitoring Systems" and "Intelligent Inspection Systems," utilizing automated tools to enhance operational productivity and optimize energy efficiency. <p>3. Water and Waste Management Policies The Company reduces environmental impact through a circular economy model. Specific actions include:</p> <ul style="list-style-type: none"> • Water Recycling and Reuse: A hot water recovery system has been implemented at the West Five Tank Farm. Furthermore, the large volume of tap water used during the open inspections of storage tanks (conducted every three years) is recycled to enhance water use efficiency. • Waste Reduction: We are committed to minimizing the generation of industrial waste. Waste disposal 	Year	2025	2024	Unit	carbon emissions	1,044.683	1,101.707	Tons CO ₂ e	
Year	2025	2024	Unit									
carbon emissions	1,044.683	1,101.707	Tons CO ₂ e									



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																																																
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			<p>expenses are incorporated into management cost monitoring to ensure strict compliance with regulatory standards.</p> <ul style="list-style-type: none"> Green Procurement and Circular Models: We prioritize the procurement of environmentally friendly products and are planning the development of product life-cycle circular models (such as the utilization of residual liquid from methanol condensation recovery) to achieve resource sustainability. <p>4. Continuous monitoring of relevant data and rolling reviews of implementation plans.</p> <p>1. The Company continuously records the following information as a basis for reviewing management measures.</p> <p style="text-align: center;">Taichung Port West 2 terminal</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Year</th> <th style="text-align: center;">2024</th> <th style="text-align: center;">2025</th> <th style="text-align: center;">Units</th> </tr> </thead> <tbody> <tr> <td>Particulate matter</td> <td style="text-align: center;">0.00</td> <td style="text-align: center;">0.00</td> <td rowspan="4" style="text-align: center; vertical-align: middle;">tons</td> </tr> <tr> <td>Sulfur oxides</td> <td style="text-align: center;">0.00</td> <td style="text-align: center;">0.00</td> </tr> <tr> <td>Nitrogen oxides</td> <td style="text-align: center;">0.00</td> <td style="text-align: center;">0.00</td> </tr> <tr> <td>Volatile organic matter</td> <td style="text-align: center;">22.12</td> <td style="text-align: center;">22.75</td> </tr> </tbody> </table> <p style="text-align: center;">Taichung Port West 5 terminal</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Year</th> <th style="text-align: center;">2024</th> <th style="text-align: center;">2025</th> <th style="text-align: center;">Units</th> </tr> </thead> <tbody> <tr> <td>Particulate matter</td> <td style="text-align: center;">0.00</td> <td style="text-align: center;">0.00</td> <td rowspan="4" style="text-align: center; vertical-align: middle;">tons</td> </tr> <tr> <td>Sulfur oxides</td> <td style="text-align: center;">0.00</td> <td style="text-align: center;">0.00</td> </tr> <tr> <td>Nitrogen oxides</td> <td style="text-align: center;">0.00</td> <td style="text-align: center;">0.00</td> </tr> <tr> <td>Volatile organic matter</td> <td style="text-align: center;">46.68</td> <td style="text-align: center;">44.29</td> </tr> </tbody> </table> <p>2. The following table shows the disposal of business waste in Taichung Port West 2 and West 5 terminal for the years 2024 to 2025:</p> <p style="text-align: center;">Taichung Port West 2 terminal</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Year</th> <th style="text-align: center;">2024</th> <th style="text-align: center;">2025</th> <th style="text-align: center;">Units</th> </tr> </thead> <tbody> <tr> <td>Hazardous business waste</td> <td style="text-align: center;">39.29</td> <td style="text-align: center;">16.75</td> <td rowspan="3" style="text-align: center; vertical-align: middle;">tons</td> </tr> <tr> <td>General business waste</td> <td style="text-align: center;">4.63</td> <td style="text-align: center;">2.95</td> </tr> <tr> <td>General business waste</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> </tr> </tbody> </table>	Year	2024	2025	Units	Particulate matter	0.00	0.00	tons	Sulfur oxides	0.00	0.00	Nitrogen oxides	0.00	0.00	Volatile organic matter	22.12	22.75	Year	2024	2025	Units	Particulate matter	0.00	0.00	tons	Sulfur oxides	0.00	0.00	Nitrogen oxides	0.00	0.00	Volatile organic matter	46.68	44.29	Year	2024	2025	Units	Hazardous business waste	39.29	16.75	tons	General business waste	4.63	2.95	General business waste	0	0	
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IV. Social issues (I) Has the company formulated relevant management policies and procedures in accordance	V		The Company complies with the relevant regulations of labor laws, establishes internal management rules and administrative	No difference.																																															



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		
with relevant laws and regulations as well as the International Bill of Human Rights?				
(II) Whether the Company has formulated and implemented reasonable employee welfare measures (including remuneration, vacation and other benefits, etc.), and appropriately reflects operating performance or results in employee remuneration?	V		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. The company provides excellent salary and benefits, which reference to the Consumer 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.	No difference.
(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	No difference.

Evaluation item	The state of operations (Note 1)		Summary description	The differences from the “Corporate Social Responsibility Best Practice Principles for TWSE or TPEX Listed Companies”, and the reason
	Yes	No		
(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		<p>organization, so that the career development of employees can grow in tandem with corporate management.</p> <p>The Company’s core business operations consist of providing warehousing services and solar power sales services, while strictly complying with environmental, occupational health, and safety regulations.</p> <p>We have implemented integrated management systems, including Quality (ISO 9001), Environmental (ISO 14001), and Occupational Health and Safety (ISO 45001 & CNS 45001), to enhance service quality, strengthen environmental protection, and foster a safe working environment.</p>	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		<p>1. The Company has established policies such as the "Code of Integrity Management" and the "Code of Ethical Conduct." A dedicated Stakeholder Section is available on our corporate website to appropriately address customer grievances and concerns regarding their rights and interests.</p> <p>2. The Company complies with regulations concerning stationary pollution sources, toxic substances, and chemical substances of concern. Upon completing the modification, extension, or revision of Stationary Pollution Source Operation Permits or Hazard Prevention and Response Plans (for Classes 1 to 3 toxic chemicals), the relevant information is disclosed by the Taichung City Government on its dedicated web platform for public and customer access.</p> <p>The Company has instituted a Supplier Management Policy, requiring suppliers to comply with regulations concerning environmental protection, occupational health and safety, and labor human rights. These requirements are disclosed on the company’s website.</p> <p>1. We have established Procurement and Supplier Management Procedures to define selection principles for contractors. These include environmental and occupational health and safety (OHS) regulations. We strictly adhere to the Occupational Safety and Health Act to ensure all contractors comply with OHS and labor-related standards.</p> <p>2. The Company conducts annual Supplier Evaluations and implements graded management based on the results. Contractors with poor performance (Grades D or E) will have their supplier status suspended or permanently revoked. In the 2025 supplier evaluation, one</p>	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	
			supplier was 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 issued its 2025 ESG Report based on international frameworks; however, the contents have not been externally assured by a third-party agency..	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

<u>ITEM</u>	<u>The Status of operations</u>
1. <u>Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.</u>	<p><u>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 of the Board of Directors at the annual Senior Management Meeting of the Sustainability Committee.</u></p> <p><u>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</u></p>

ITEM	The Status of operations					
<p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).</p>	<p><u>review the implementation status.</u> <u>In May 2023, the Company reported to the Board of Directors on the climate risk and response measures faced.</u></p>					
	<p><u>Risks and Opportunities</u></p>		<p><u>Issues</u></p>	<p><u>Description of company impact</u></p>	<p><u>Period</u></p>	<p><u>Response</u></p>
	<p><u>Risk of switching business</u></p>	<p><u>Market</u></p>	<p><u>Uncertainty</u> <u>Market</u></p>	<p><u>Customers demand products and services that exceed the requirements of established environmental standards and ask companies to tighten environmental requirements.</u> <u>If we are unable to provide or meet these requirements, we may lose some of our market share.</u></p>	<p><u>Long-term</u></p>	<p><u>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.</u></p>
<p><u>Risk of switching business</u></p>	<p><u>Market</u></p>	<p><u>Changes in customer behavior</u></p>	<p><u>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 risks, etc.) or adjust operational processes and upgrade equipment/services as a basis for</u></p>	<p><u>Mid-term</u></p>	<p><u>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.</u></p>	



ITEM	The Status of operations					
				<p><u>supplier evaluation, which may lead to changes in procurement policies and may result in increased operating costs or reduced profit margins for the company.</u></p>		
	<p><u>Risk of switching business</u></p>	<p><u>Government Policies and regulations</u> <u>Risks</u></p>	<p><u>Carbon Pricing</u></p>	<p><u>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 2026.</u></p>	<p><u>Long-term</u></p>	<p><u>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.</u></p>
	<p><u>Physical Risk</u></p>	<p><u>Emergency Risk</u></p>	<p><u>Enhanced wind speed under normal</u></p>	<p><u>Due to high wind speed, there is a risk that the luminaires/shades and trunking</u></p>	<p><u>Long-term</u></p>	<p><u>Review the weather resistance of the equipment, make engineering improvements, or upgrade</u></p>

ITEM	The Status of operations					
			<u>weather conditions</u>	<u>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.</u>		<u>the equipment to improve the toughness of the tank facilities.</u> <u>Prohibit or suspend contractors from engaging in elevated operations when wind speed exceeds force 8 on the Beaufort scale.</u>
	<u>Opportunities</u>	<u>Products and Services</u>	<u>Renewable Energy demand increased</u>	<u>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.</u>	<u>Long-term</u>	<u>The company will assess what renewable energy or low-carbon fuels can be used in the operation process after the carbon inventory.</u>
		<u>Develop or expand low-carbon products and services</u>		<u>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 added value of our services to customers will be enhanced and our competitiveness will increase.</u>	<u>Mid-term</u>	<u>The ISO 14064 greenhouse gas inventory management system is expected to be implemented by 2026.</u>



ITEM	The Status of operations		
<p><u>3. Describe the financial impact of extreme weather events and transformative actions.</u></p>	<p><u>Risks or Opportunities Issue</u></p>	<p><u>Operating Impact</u></p>	<p><u>Financial Impact</u></p>
	<p><u>Uncertainty Market & Changes in customer behavior</u></p>	<p><u>We are unable to provide products and services that exceed the requirements of established environmental standards in a timely manner.</u></p>	<p><u>Decline in operating revenue</u></p>
		<p><u>Our customers use special chemical raw materials that require more stringent material storage and transfer requirements.</u></p>	<p><u>Rising Operating Costs</u></p>
		<p><u>Reduced demand for petrochemical storage tanks in response to climate change and reduced use of petrochemical products.</u></p>	<p><u>Decline in operating revenue</u></p>
	<p><u>Carbon Pricing</u></p>	<p><u>The fee is payable annually.</u></p>	<p><u>Rising Operating Costs</u></p>
	<p><u>Enhanced wind speed under normal weather conditions</u></p>	<p><u>The wind speed was too strong to close the port, causing customers to lose material.</u></p>	<p><u>Decline in operating revenue</u></p>
		<p><u>Damage to equipment caused by excessive wind speed.</u></p>	<p><u>Rising Operating Costs</u></p>
		<p><u>High wind speed causes environmental pollution or casualties</u></p>	<p><u>Rising Operating Costs</u></p>
	<p><u>Renewable Energy demand Increased</u></p>	<p><u>Some of electricity will be generated from renewable energy sources in the future.</u></p>	<p><u>Decline in operating Costs</u></p>
		<p><u>Renewable energy sales.</u></p>	<p><u>Rising Operating revenue</u></p>
<p><u>Develop or expand low-carbon products and services</u></p>	<p><u>The company has introduced carbon inventory and energy saving and carbon reduction measures to enhance the value of its services.</u></p>	<p><u>Rising Operating revenue</u></p>	
<p><u>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk</u></p>	<p><u>In 2022, the Company introduced the Climate Risk and Opportunity Identification Mechanism, which provides a comprehensive inventory 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.</u></p>		

ITEM	The Status of operations
<p><u>management system.</u></p> <p><u>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.</u></p>	<p><u>Business as Usual (BAU) Scenario</u></p> <p><u>Climate Change Risk - Uncertainty Market & Changes in customer behavior :</u></p> <p><u>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.</u></p> <p><u>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.</u></p> <p><u>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.</u></p> <p><u>Climate Change Risk - Stronger wind speed under normal weather conditions :</u></p> <p><u>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</u></p> <p><u>Net Zero Scenario</u></p> <p><u>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.</u></p> <p><u>Climate Change Risk - Carbon Pricing :</u></p> <p><u>In the Net Zero scenario, assuming future global warming is limited to 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</u></p> <p><u>Climate Change Risk - Stronger wind speed under normal weather conditions :</u></p>



ITEM	The Status of operations
<p><u>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.</u></p>	<p><u>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.</u></p> <p><u>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.</u></p>
<p><u>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</u></p>	<p><u>Non-use of internal carbon pricing as a planning tool.</u></p>
<p><u>8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.</u></p>	<p>We have planned carbon footprint verification and external verification schedule.</p> <p>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.</p>

ITEM	The Status of operations
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)		Summary description	The differences from the Corporate Ethical Management for TWSE/TPEX Listed Companies and the reasons therefor.
	Yes	No		
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 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	V		The Company has the Ethical Corporate Management Best Practice Principles that expressly prohibit unethical conduct and our managerial officers have signed confidentiality and integrity agreements.	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	
<p>conduct set out in Paragraph 2 of Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?</p> <p>(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?</p>	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.
<p>II. The implementation of ethical corporate management</p> <p>(I) Does the Company evaluate the ethical records of its counterparties and specify the ethical conduct clauses in the contracts signed with the counterparties?</p> <p>(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?</p> <p>(III) Does the Company have a policy to prevent conflict of interest, provide appropriate channels for explanation, and implement it?</p> <p>(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 CPA to perform the audit?</p> <p>(V) Does the Company regularly organize internal and external education and training on ethical corporate management?</p>	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.
	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
	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.
	V		The Company has established an effective accounting system and internal control system, which are regularly audited by the internal audit.	No significant differences.
	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.
<p>III. The Company's whistleblower reporting system</p> <p>(I) Has the Company set up a specific</p>	V		The company has "Employee Time", a	No significant

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	
whistleblower reporting and reward system, a convenient reporting channel, and designated appropriate personnel to deal with the reported matters?			complaint hotline, and a complaint mailbox, which are administered by the General Manager's Office. Administration Division and the Human Resources Department. All whistleblower reports are encrypted and managed by human resources electronic file records.	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			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 2025 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, 2025 (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 12, 2026, 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 2025 shareholders' meeting and its update.

(1) The Company's 2024 annual financial statements.

(2) The Company's 2024 earnings distribution proposal:

The Board of Directors set July 13, 2025 as the ex-dividend date. In accordance with Article 165 of the Company Act, the registration of stock transfers was suspended from July 9, 2025 to July 13, 2025, and the cash dividends were paid on July 31, 2025.

(3) Adoption of the amendment of the Company's "Articles of Association", "Procedures for Acquisition or Disposal of Assets" and "Procedures for Endorsements and Guarantees".
update:

It has been announced on the Company's website.

(4) Election of seven directors of the Company (including three independent directors)

Election results:

Candidates Title	ID	Name	Election votes
Director	L1*****04	Liao, Shu-Chun	53,029,916
Director	A1*****26	Chen, Yung-Chin	41,933,413
Director	67569	ABACUS DISPLAY INFINITY CORPORATION. * Representative: Su, Kung-Ming	35,899,407
Director	67569	ABACUS DISPLAY INFINITY CORPORATION. * Representative: Lee, Ming-Guen	34,935,126
Independent director	G1*****78	Ho, Kuo-Chen	38,921,096
Independent director	U1*****57	Lin, Tung-Chiao	37,855,356
Independent director	A1*****24	Chen, Lung-Tai	36,822,088



2. Board of directors

Type	Motion date	Motion content
19th term 15th meeting	2025.03.13	<ol style="list-style-type: none"> 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 Directors 25. Greenhouse Gas Inventory Report — For Board Discussion and Quarterly Monitoring

Type	Motion date	Motion content
		<p>26. The Company's Credit Facility Application to Financial Institutions</p> <p>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")</p>
19th term 16th meeting	2025.05.13	<p>1. Minutes of the last meeting and the its implementation</p> <p>2. Important financial and business reports</p> <p>3. Internal audit work reports</p> <p>4. Other important reporting matters</p> <p>5. The Company's Consolidated Financial Statements for the First Quarter of Fiscal Year 2025</p> <p>6. Proposal Regarding the Appointment and Remuneration of the Company's Certified Public Accountant for Fiscal Year 2015, and the Assessment of the CPA's Independence and Competence</p> <p>7. The Company's Greenhouse Gas Inventory Report, submitted to the Board of Directors for discussion and quarterly monitoring</p> <p>8. Report on Matters Related to the Acceptance of Shareholders' Written Proposals and the Acceptance of Shareholders' Written Nominations of Candidates for Directors (Including Independent Directors) at the Company's 2025 Annual General Meeting of Shareholders</p> <p>9. Application for a credit facility by the Company from financial institutions</p>
20th term 1th meeting	2025.06.20	<p>1. Proposal to Elect a Chairman and Vice Chairman for the Company's 20th Term of Newly Appointed Directors</p> <p>2. Minutes of the Previous Meeting and Status of Implementation</p> <p>3. Proposal to Appoint Members of the Company's 6th Remuneration Committee (hereinafter referred to as the "Remuneration Committee")</p> <p>4. The Company has successively acquired and established subsidiaries in October 2024 (as shown in the table below). It is proposed to develop a progress report on greenhouse gas inventory for these subsidiaries, to be submitted to the Board of Directors for discussion and quarterly monitoring</p> <p>5. The Company intends to purchase liability insurance for its directors and officers.</p> <p>6. Application for a credit facility by the Company from financial institutions</p>
20th term 2th meeting	2025.08.14	<p>1. Minutes of the last meeting and the its implementation</p> <p>2. Important financial and business reports</p> <p>3. Internal audit work reports</p> <p>4. Other important reporting matters</p> <p>5. The Company's Consolidated Financial Statements for the Second Quarter of Fiscal Year 2025</p> <p>6. The Company intends to provide endorsement guarantees for its</p>



Type	Motion date	Motion content
		<p>subsidiaries, “Yu Feng Green Energy Co., Ltd.” and “Kuan Tai Green Energy Co., Ltd.”</p> <p>7. Matters Regarding the Company’s Provision of Endorsement Guarantees for Subsidiary “Yu Feng Green Energy Co., Ltd.”</p> <p>8. In October 2024, the Company acquired and established subsidiaries. It drafted plans to establish part-time units, appoint part-time personnel, and define their responsibilities to implement greenhouse gas inventory procedures for the subsidiaries, and planned the progress of the subsidiaries’ greenhouse gas inventories, which will be submitted to the Board of Directors for discussion</p>
20th term 3th meeting	2025.11.13	<ol style="list-style-type: none"> 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 Third Quarter of Fiscal Year 2025 6. The Company’s Internal Audit Plan for the Year 2026 7. Application for a credit facility by the Company from financial institutions 8. Draft the Company’s human rights and employee policies and submit them to the Board of Directors for discussion 9. The Company has prepared the 2024 Sustainability Report of Huiqiao Co., Ltd. and respectfully requests that the directors review it
20th term 4th meeting	2025.12.30	<ol style="list-style-type: none"> 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 2026 7. Resolutions of the 1th Meeting of the 6th Session of the Compensation Committee of the Company 8. Progress Report on the 2025 Greenhouse Gas Inventory for the Company and Its Subsidiaries, Submitted to the Board of Directors for Discussion 9. Application for a credit facility by the Company from financial institutions 10. Proposal to Establish the Company’s Amend the Internal Control System and Internal Audit Implementation Rules
20th term 5th meeting	2025.03.12	<ol style="list-style-type: none"> 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

Type	Motion date	Motion content
		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, 2025 7. Junior staff, employee compensation and remuneration to directors for the year ended December 31, 2025 8. Individual and consolidated financial statements for the year ended December 31, 2025 9. Proposal for Distribution of 2025 Earnings in Cash Dividends — For Discussion 10. Proposal for Distribution of 2025 Earnings 11. The Company’s 2025 Business Report 12. Resolutions of the 2th Meeting of the 6th Term Compensation Committee 13. 2025 Self-Evaluation Reports on the Performance of the Compensation Committee, Audit Committee, Board of Directors, and Board Members 14. Matters Relating to the Convening of the 2026 Annual General Meeting of Shareholders 15. Announcement on the Acceptance of Shareholder Proposals for the 2026 Annual General Meeting 16. Progress Report on the 2025 Greenhouse Gas Inventory for the Company and Its Subsidiaries, Submitted to the Board of Directors for Discussion

(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	2025.01.01~ 2025.12.31	1,813	1,982 (Note 1)	3,795	
	Lin, Yung-Chih					

Note 1: Including Free Trade 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:

Date of change	March. 14, 2024		
Reason for Replacement	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.		
Descriptions whether the Company terminated or the CPA did not accept the appointment	Parties	CPA	The Company
	Status	—	—
	Termination of appointment No longer accepted (continued) appointment	—	—
Other than unqualified issues in the audit reports within last two years	None		
Differences with the Company	Yes	—	Accounting principles or practices
		—	Disclosure of Financial Statements
		—	Audit scope or steps
		—	Others
	None	V	
	Descriptions		
Other Revealed Matters (Required to be disclosed by Accounting Standards Article 10 paragraph 6 section 1-4 to section 1-7)	None		

(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	2025		2026 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 Removed from office on 2025/6/10)	-	-	-	-
	Yeh, Tang-Jung (The Company's President) Removed from office on 2025/6/10)	-	-	-	-
	Su, Kung-Ming (The Company's Vice chairman and Senior vice president) (took office on 2025/6/10)	-	-	-	-
	Lee, Ming-Guen (The Company's Treasurer) (took office on 2025/6/10) Removed from office on 2026/3/17)	-	-	-	-
	Tang Chin-Yung (took office on 2026/3/17)	-	-	-	-
	Ho, Kuo-Chen	-	-	-	-
	Jang, Jr-Yan Removed from office on 2025/6/10)	-	-	-	-
	Lin, Tung-Chiao (took office on 2025/6/10)	-	-	-	-
	Chen, Lung-Tai	-	-	-	-
	Senior vice president	Jia, Shu-Kai	-	-	-
Vice president	Hsu, Chien	-	-	-	-
Vice president	LIN, Chih-Lung	-	-	-	-
Vice president	Liang, Shyh-Chuan	-	-	-	-

Title	Name	2025		2026 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
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 11, 2026

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 CORPORATION. Representative: CRAWFORD INVESTMENT LIMITED.	3,082,591	3.96%	-	-	-	-	-
Wu, Jun-Ze	831,179	1.07%	-	-	-	-	-
I, Hao-Chun	764,000	0.98%	-	-	-	-	-
Road Mine Co., Ltd. Representative: Cai, Lu-Fa	633,487	0.81%	-	-	-	-	-
TU, Ming-Ju	600,000	0.77%	-	-	-	-	-
Xie, Kun-Lin	342,000	0.44%	-	-	-	-	-
Chang, Chien-Chun	332,650	0.43%	-	-	-	-	-
Deep & Far Consultants, Inc. Representative: Tsai, Yu-LI	325,059	0.42%	-	-	-	-	-

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, 2026

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	33.17%	-	-	10,000	33.17%
Chang Fu Feng Co., Ltd.	10,718,000	100%	-	-	10,718,000	100%
Yu Feng Green Energy Co., Ltd.	18,027,000	100%	-	-	18,027,000	100%
Kun Feng Green Energy Co., Ltd.	100,000	100%	-	-	100,000	100%
Kuan Tai Green Energy Co., Ltd.	6,633,000	100%	-	-	6,633,000	100%
An Feng Green Energy Co., Ltd.	5,000,000	100%	-	-	5,000,000	100%

Three. Capital Raising

I. Source of capital:

April 30, 2026

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-Jia o 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 11, 2026

Name of major shareholder	Shares	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 CORPORATION. Representative: CRAWFORD INVESTMENT LIMITED.		3,082,591	3.96%
Wu, Jun-Ze		831,179	1.07%
I,Hao-Chun		764,000	0.98%
Road Mine Co., Ltd. Representative: Cai, Lu-Fa		633,487	0.81%
TU, Ming-Ju		600,000	0.77%
Xie, Kun-Lin		342,000	0.44%
Chang, Chien-Chun		332,650	0.43%
Deep & Far Consultants, Inc. Representative: Tsai, Yu-LI		325,059	0.42%

III. Results of Dividend policy

1. Dividend policy of the Company.

Article 27 of the Articles of Association:

If the Corporation makes a profit in a fiscal year, it shall set aside not less than 0.1% as salary adjustment or remuneration for junior staff, not less than 3% as the remuneration for employees and not more than 5% as the remuneration for directors. However, if the Corporation still has accumulated losses, it should reserve the make-up 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\$0.7 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		2026 (Estimated)
Paid-in capital at the beginning of the period		778,344,320
Stock and cash dividends for the year	Cash dividends per share	0.7
	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 12, 2026.

Note 2: The 2026 financial forecast is not disclosed to the public, so there is no need to disclose 2026 forecast information.

Chairman:
Liao, Shu-Chun

Managerial officer:
Yeh, Tang-Jung

Accounting officer:
Huang, Yi-Yin

V. Bonus remuneration for employees, directors and supervisors

(I) Article 27 of the Articles of Association:

If the Corporation makes a profit in a fiscal year, it shall set aside not less than 0.1% as salary adjustment or remuneration for junior staff, not less than 3% as the remuneration for employees and not more than 5% as the remuneration for directors. However, if the Corporation still has accumulated losses, it should reserve the make-up 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 junior staff, 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 12, 2026 approved the following proposed distribution: distribution of junior staff bonus remuneration of NT\$98,793, employees' bonus remuneration of NT\$3,899,503 and directors' bonus remuneration of NT\$2,974,343, which is not different from the estimated amount in the 2025 financial statement.

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

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

2025	Unit: NTD
Bonus remuneration for junior staff (cash)	98,793
Bonus remuneration for employees (cash)	3,899,503
Bonus remuneration for directors (cash)	2,974,343

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 junior 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.

2024	Unit: NTD
Employee bonus (cash)	5,153,347
Bonus remuneration for directors and supervisors (cash)	3,929,427

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 once known as a “petrochemical kingdom.” Due to its limited natural resources, most raw materials are imported, while finished goods are largely export-oriented. This industry structure has driven substantial demand for port-based logistics and storage facilities. Only a few large petrochemical companies have built their own terminals and storage tanks. Most small and medium-sized manufacturers and traders still rely on shore tank storage services, creating solid business potential.

Kaohsiung has long been a key hub of Taiwan’s petrochemical industry, and petrochemical shore storage tanks were therefore mainly located at the Port of Kaohsiung. The establishment of storage facilities at the Port of Taichung met demand in central and northern Taiwan and attracted petrochemical companies to set up plants in the region. Subsequently, the development of Formosa Plastics Corp.’s sixth naphtha cracker complex in Mailiao and the commissioning of the Port of Taipei altered the supply and demand dynamics of domestic petrochemical shore storage tanks. More recently, the Kaohsiung Port Intercontinental Container Terminal Phase 2 Project, involving land reclamation for a new integrated petrochemical storage and transportation center, has seen some facilities completed and commissioned. This project is expected to play an important role in shaping Taiwan’s petrochemical shore tank storage industry.

However, Taiwan’s petrochemical shore tank storage industry still faces growing challenges. Taiwan’s petrochemical companies confront intensified competition driven by China’s large-scale petrochemical integration and resulting excess capacity, along with weak global demand, which has led to declining trade volumes. Rising anti-globalization trends and geopolitical uncertainties further weighed on the industry. Newly completed petrochemical storage facilities at ports across Southeast Asia and China also increased regional



oversupply pressure. Meanwhile, increasing societal focus on environmental protection, public safety, and sustainability has resulted in stricter regulations in Taiwan, which not only raise operational standards but also affect cost structures and business strategies for industry participants.

Nevertheless, the rapid growth of Taiwan's semiconductor industry in recent years has driven demand for electronic-grade and high-purity chemicals, prompting petrochemical companies to shift from traditional mass production toward higher-value and customized materials. This transition is reducing reliance on conventional petrochemical products, thereby creating new growth opportunities for the industry and generating new business prospects for petrochemical storage operators.

Looking ahead, Taiwan's petrochemical shore tank storage industry stands at a critical juncture, where structural challenges and transformation opportunities coexist.

Energy division:

Taiwan is heavily reliant on imports for its natural resources, particularly fossil fuels such as oil. With energy import dependency consistently exceeding 97%, accelerating the development of renewable energy has become a top priority for both the government and society. Promoting renewable energy not only reduces reliance on energy imports but also aligns with international trends toward carbon reduction and net-zero goals.

Photovoltaic (PV) power offers advantages such as being environmentally friendly and pollution-free, renewable, technologically mature, safe and convenient, and an inexhaustible resource. It is the cornerstone of Taiwan's renewable energy development. Compared to other renewable energy sources, PV demonstrates greater flexibility in installation and a more pronounced downward trend in costs, leading to a continuous increase in its share of the energy supply mix. At the same time, significant investments are being made in wind power (especially offshore wind).

However, renewable energy also faces its own challenges: high initial installation costs, limited land and rooftop space, low capacity factors, the intermittent and unpredictable nature of energy generation,

and high demands on supporting power grids and energy storage systems. These issues must be addressed and resolved in tandem.

The original target was to achieve a 20% share of renewable energy by 2025, but due to differences in the timing of new installations connecting to the grid and the method of calculating the share, officials have practically assessed that the 20% threshold will be reached starting in November 2026. The 2030 target for the share of renewable energy remains at approximately 30%, and the government is actively promoting the development of diverse green energy sources (including solar power, offshore wind power, geothermal energy, and small-scale hydropower). The Ministry of Economic Affairs emphasizes that it will continue to promote the expansion of green energy, introduce energy storage, and enhance grid resilience (such as improving feeder lines and grid connection capacity) to support the dispatch requirements for the fluctuating output of renewable energy. To improve the integration and utilization efficiency of green energy, initiatives such as the pilot program for photovoltaic installations on the facades of public buildings are being promoted across the country to make more comprehensive use of building space for solar energy development.

The policy target of achieving a 20% share of renewable energy generation by 2025, originally set for 2025, is now projected to be stably reached around 2026 based on practical assessments of grid connection timelines and growing electricity demand. The overall energy transition path remains centered on “expanding renewables, increasing natural gas, reducing coal, and phasing out nuclear power,” with the goal of continuously reducing carbon emissions while ensuring power supply stability.

The government plans to prioritize solar photovoltaic (PV) and offshore wind power as the mainstays of renewable energy development, while simultaneously introducing energy storage systems and strengthening grid resilience. By the mid-term target phase, the

cumulative installed capacity of solar PV will exceed 20 GW, and the scale of offshore wind power development will continue to expand. Through a “dual-track approach” of wind and solar power, the government aims to enhance energy self-sufficiency and gradually build a supportive and resilient environment for renewable energy generation.

In summary, in the face of global carbon reduction trends, energy security pressures, and growing industrial electricity demand, Taiwan will continue to accelerate its renewable energy transition in 2026. Among these, solar power, due to its technological maturity and high development potential, remains the core focus of policy promotion. In the future, by improving the legal framework, identifying underutilized spaces, strengthening the power grid and energy storage infrastructure, and ensuring environmental and landscape sustainability, we will help increase the share of renewable energy, reduce dependence on energy imports, and move toward a stable, secure, and sustainable energy system.

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	
<small>(Unit : MW)</small>	
	2025
Photovoltaic power	15,474
Onshore wind power	930
Offshore wind power	3,587
Geothermal Energy	7
Biomass and Waste	748
Hydroelectric power	2,124
Total	22,872

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.
Offshore Wind 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 authorities 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 regard to the Energy Business Division, the Company is currently focusing on developing its solar photovoltaic power generation system business. Taiwan boasts a comprehensive solar industry supply chain, spanning from upstream to downstream manufacturers. The Company will fully leverage this advantage by acquiring solar power plants that are currently generating and selling electricity under net metering arrangements, and will supplement this with smart power generation monitoring systems to manage power generation facilities across various locations in real time, thereby generating long-term, stable revenue from electricity sales or leasing.

The Company will closely monitor technological and product developments in the solar industry and collaborate closely with high-quality EPC (Engineering, Procurement, and Construction) contractors. We will continuously optimize management processes for existing sites and adopt new operation and maintenance technologies to ensure long-term, stable system power generation output.

The Company will also continue to monitor the development of renewable energy technologies beyond solar power, such as small-scale hydropower and evaluate the feasibility of Behind-the-Meter (BTM) storage or integrated solar-plus-storage projects, with the aim of establishing a new type of renewable energy value chain.

(IV) Long and short term business development plans.

Chemical and oil tank storage services:

I. Increase Revenue and Customer Satisfaction

A. Maximize tank utilization

1. Increase client visits to understand customer needs

- 2. Analyze market trends to identify new business opportunities
- B. Enhance operational flexibility and responsiveness
 - 1. Promote customer-oriented communication and a one-team approach
 - 2. Shorten response time for customer requests
- II. Ensure reliable operations and equipment maintenance
 - A. Properly schedule equipment inspections
 - B. Inventory key equipment and establish a spare parts system
 - C. Implement intelligent management systems to improve operational efficiency
- III. Develop people capabilities
 - A. Optimize compensation structures
 - B. Establish mentorship programs
 - C. Enhance supervisor-employee communication
 - D. Prioritize employee well-being
 - E. Introduce new tools and streamline workflows

Energy division:

- Short term plan
 - (1) Collaborate with major EPC contractors to jointly develop large-scale solar power generation systems, thereby driving business growth and increasing revenue.
 - (2) Acquire or take over projects that are already selling electricity to reduce construction time and streamline the application process.
 - (3) Partner with high-quality green energy platform companies to engage in green energy resale operations, thereby increasing power generation revenue.
 - (4) Continuously optimize management processes for existing sites and introduce new O&M technologies to improve the return on investment for power generation systems.
 - (5) Effectively utilize and manage solar power monitoring systems to enhance long-term power generation efficiency and reasonably extend the service life of the systems.
 - (6) Stay abreast of green energy policy trends and market developments, converting existing sites with feed-in tariffs below current green power market rates into Corporate Power Purchase Agreements (CPPA) to improve the return on investment for



these sites.

- Long term plan
 - (1) Identify and develop high-quality solar power project sites, leverage green energy financing, and enhance the return on investment of solar power systems through high-quality equipment and management systems.
 - (2) Work closely with strategic partners to gradually transition into a management-oriented developer and operator of renewable energy projects.
 - (3) For sites that have been in operation for over 10 years, evaluate the replacement of inverters with new, high-efficiency models to improve power generation efficiency.
 - (4) In line with the government's policy mandating the installation of solar power systems on buildings with a floor area of 1,000 square meters or more, we will actively seek out potential project sites and collaborate with high-quality EPC contractors to develop this type of solar power project.

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	2025		2024	
Region	Sales amount	Percentage %	Sales amount	Percentage %
Taiwan	\$369,731	100	\$377,380	100

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

The petrochemical industry has played an important role in Taiwan's economic development, and the demand for petrochemical shore tank storage services has remained steady. The domestic ports providing such services include the Port of Kaohsiung, the Port of Taichung, and the Port of Keelung (including the Port of Taipei). Among these, the Port of Kaohsiung and the Port of Taichung have larger scales and began operating earlier, giving them relatively stable market positions, while the Port of Taipei was commissioned only in recent years. Due to geographic separation of the customers served by the Port of Kaohsiung and the Port of Taichung, competition between them is limited. Although the Port of Taipei is relatively small, its geographic location still affects the business of the Port of Taichung.

In recent years, Taiwan's petrochemical shore tank storage industry has been undergoing restructuring. Newly constructed tank farms at the Logistics & Warehousing Zone of Kaohsiung Port Intercontinental Container Terminal Project Phase 2 have gradually come online. At the Port of Taichung, new tanks at the West Wharf are also being commissioned. Meanwhile, due to safety considerations, the Port of Taipei plans to relocate its existing petrochemical storage tanks to the Logistics & Warehousing Zone Phase 4, with work scheduled to start in 2026.

Overall, Taiwan's petrochemical shore tank storage market remains concentration and geographical segmentation. New tank farms under centralized operations enhance safety, management



efficiency, and service capacity. However, due to regulatory constraints, the total number and capacity of tanks do not actually increase. Going forward, attention should be paid to the development of global petrochemical industry as well as supply and demand dynamics.

The global petrochemical industry has long faced challenges of oversupply and sluggish growth due to energy transition and carbon reduction trends. In recent years, additional pressures have emerged from competition with low-priced Chinese products, geopolitical risks, and U.S. tariff measures, further increasing uncertainty in the market, with no improvement expected in the short term. As a result, petrochemical companies worldwide are actively seeking higher-value products and emerging markets for new opportunities.

Against this global backdrop, Taiwan's petrochemical industry faces similar challenges, and its overall performance has declined significantly since the second half of 2022. This has also impacted domestic petrochemical shore tank storage operators. Moreover, rising cross-strait tensions have further affected international companies' willingness to lease storage tanks in Taiwan. The ongoing development of the global situation should be closely monitored.

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	2025		2024	
	Amount(in NTD thousand)	Percent age %	Amount(in NTD thousand)	Percentage %
Taiwan	\$97,496	93.7	\$101,082	88
Cambodia	\$6,532	6.3	\$13,571	12

2025 – 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)	15,474,000
Installation capacity market share	0.117%

2025 – Taiwan	
Estimated total photovoltaic power generation of Energy Division (kWh)	20,331,640
Total kWh of photovoltaic power purchased by each county and city (Note)	15,975,107,000

2025 – Taiwan	
Power generation market share	0.127%

2025 – Cambodia	
Total photovoltaic power installation capacity (kW)	5,200
Estimated total photovoltaic power generation (kWh)	2,422,349

Source: Bureau of Energy, MOEA

2. Market future demand, supply and growth

According to the electricity supply and demand plans and renewable energy promotion policies published in recent years by the Ministry of Economic Affairs’ energy regulatory authority, solar and wind power remain the core components of Taiwan’s renewable energy development. As of 2026, Taiwan’s cumulative installed capacity for solar photovoltaic power has nearly reached the original policy target of 20 GW set for 2025, while wind power (including onshore and offshore) continues to expand according to schedule. With early targets gradually being met, the government has shifted its policy focus from “meeting targets” to “continuous expansion and system integration,” thereby establishing a medium- to long-term growth trend for renewable energy.

(1) Analysis of Domestic Supply Trends

Regarding solar power, the government has clearly planned to maintain an annual increase in installed capacity of at least 2 GW after 2026 to address growing electricity demand and the policy direction of increasing the share of renewable energy. As available space for rooftop solar power is gradually reaching saturation, and given the dispersed nature of construction conditions and project sources, medium- and large-scale ground-mounted solar power plants have become the primary growth driver in recent years and will remain so for the coming years.

Currently, the government continues to promote priority sites for solar PV installation, including industrial zones, public buildings, areas



unsuitable for agriculture, aquaculture zones, landfills, salt production sites, ponds, and spaces at existing public facilities. It is expanding the pool of available sites through institutional reviews and land revitalization efforts. Overall, if projects in these designated areas are implemented gradually according to the planned schedule, the solar PV market will continue to have a stable and predictable foundation for growth after 2026.

(2) Demand-Side and Policy Drivers

According to the “Taiwan 2050 Net-Zero Emissions Pathway and Strategy” published by the National Development Council, Taiwan has officially declared its net-zero emissions target and regards energy transition as a key pillar for achieving net-zero. As climate change risks intensify, the international community, multinational corporations, and supply chain clients are imposing increasingly stringent carbon reduction requirements. Consequently, renewable energy has evolved from a policy option into a prerequisite for industrial competitiveness.

Amid this trend, demand for green electricity continues to rise among major domestic power consumers, export-oriented industries, and the technology manufacturing sector. This has driven growth in Corporate Power Purchase Agreements (CPPA) and demand for self-built power plants, shifting the solar photovoltaic sector away from reliance solely on the feed-in tariff system toward a more market-oriented development, thereby further supporting medium- to long-term demand.

(3) Types of Solar Power Systems and Regional Development Trends

Current solar power systems can be broadly categorized into three main types:

Roof-mounted: Includes industrial plants, commercial and office buildings, farmhouses, and public buildings. This type offers high

installation flexibility and minimal land-use disputes.

Ground-mounted: Utilizing land unsuitable for agricultural use, salt flats, contaminated sites, areas prone to land subsidence, aquaculture zones, landfills, and rain shelters, this is currently the primary source of new capacity.

Floating: Installed on the surfaces of ponds, reservoirs, and lakes, this approach balances land conservation with power generation benefits but requires careful assessment of environmental impacts.

Aquaculture-Solar Synergy: Installs solar panels above fish ponds, creating a “dual-use” model that combines green energy with aquaculture. This approach increases farmers’ income and facilitates the energy transition without affecting aquaculture yields (which must maintain 70% of original production).

Agri-solar: Solar panels are installed on farmland or fish ponds without affecting agricultural production, creating a model that integrates “agricultural and aquaculture operations” with “green energy generation.” The core value lies in “agriculture as the foundation, with green energy adding value,” ensuring food security while increasing farmers’ rental income and revenue from electricity sales, and reducing algae growth and improving working conditions.

In the past, solar PV installations were concentrated in central and southern regions due to sunlight conditions; however, in recent years, to promote balanced regional development, the government has provided feed-in tariff incentives for areas north of Miaoli and outlying islands. This has effectively increased the incentives for solar PV investment in northern and outlying regions, leading to a gradual diversification of installation locations.

(4) Global Market and Technological Trends

From a global perspective, recent forecasts by the International Energy Agency (IEA) indicate that renewable energy is expected to supply over 40% of global electricity demand by 2030. Among these,



solar power—due to its short construction period and rapidly declining costs—will become the world’s largest single source of electricity. In contrast, the share of fossil fuels in global energy supply will continue to decline, and the trend toward energy transition is irreversible.

Furthermore, the rapid decline in energy storage technology costs has brought structural benefits to the solar PV market. In recent years, the price of stationary lithium-ion batteries has dropped significantly, enabling “solar PV combined with energy storage” to gradually compete with traditional fossil fuel-based electricity. As battery technology matures and production capacity expands, energy storage systems have become a key component for enhancing the stability of renewable energy and the resilience of the power grid, further amplifying the application value of solar PV.

(5) Comprehensive Assessment of Market Growth Potential

Based on a comprehensive analysis of domestic policy initiatives, industrial electricity demand, global energy transition, and technological advancements, Taiwan’s solar PV market is expected to maintain medium- to long-term growth potential beyond 2026. With the government’s continued promotion of renewable energy expansion, growing corporate demand for green electricity, and

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

A. Competitive advantages

- (1) The Company maintains strong relationships with financial institutions, which facilitates securing appropriate loan-to-value ratios and interest rates.
- (2) The key components of the solar power systems used by the Company (such as modules, inverters, and mounting structures) are primarily manufactured by leading Taiwanese manufacturers. These components offer consistent quality and excellent after-sales service, ensuring the stable operation of the projects.

- (3) Leveraging our extensive practical experience in EPC (Engineering, Procurement, and Construction) integration, complemented by intelligent real-time monitoring systems, we effectively enhance O&M (Operation and Maintenance) efficiency. Through long-term strategic partnerships with high-quality EPC contractors and well-established coordination mechanisms with the Bureau of Energy and Taiwan Power Company, we ensure that every project site progresses from construction to grid connection on schedule and to the highest quality standards, achieving stable power generation returns.
- (4) We employ a diversified business development model, including in-house development, EPC partnership projects, developer proposals, participation in public tenders, and the direct purchase and sale of existing operational sites.

B. Favorable factors

- (1) The government's Feed-in-Tariff (FiT) mechanism, which guarantees the purchase of renewable energy, has established clear policy objectives for promoting renewable energy, enabling the stable development of the solar power industry.
- (2) The Ministry of Economic Affairs has directed Taiwan Power Company to complete grid infrastructure construction on schedule, ensuring that green power plants and the grid are operational simultaneously, thereby marking a significant milestone in the transition to green energy.
- (3) Rising awareness of green consumption has prompted major international brands to voluntarily increase the proportion of renewable energy used across all stages—from product design and manufacturing to logistics—to strengthen their corporate social responsibility and brand image.
- (4) The continuous development of the solar industry and its ancillary sectors—such as improvements in solar cell efficiency—has brought the cost of solar power generation increasingly closer to that of traditional fossil fuel-based power generation, thereby reducing the financial burden of



government subsidies.

C. Unfavorable factors

- (1) As the renewable energy sector matures, rooftop solar installations on large enterprises and public buildings have gradually reached saturation, with new capacity now largely dependent on ground-mounted and floating solar projects. However, solar projects typically involve procedures such as land-use rezoning, environmental impact assessments, runoff control plans, soil and water conservation, and local stakeholder engagement, which significantly extend the overall development timeline and increase upfront uncertainty and capital tied-up costs.
- (2) As the solar photovoltaic industry matures, new competitors continue to enter the market, including life insurance companies, financial institutions, and large domestic and international publicly traded companies. Armed with substantial capital and financing capabilities, these entities are actively investing in large-scale projects with stable returns, leading to intense competition for investable opportunities.
- (3) In recent years, feed-in tariffs (FIT) for solar power have shown a consistent trend of slowing growth or downward adjustments, reflecting a gradual shift in policy from subsidy-driven approaches toward market mechanisms. However, during the same period, risks of volatility in raw material prices, engineering labor costs, and equipment transportation expenses persist, putting pressure on the return on investment for new projects.
- (4) Given Taiwan's geographical location, which is prone to frequent typhoons and earthquakes, the risks of extreme weather and natural disasters remain structural disadvantages for the solar photovoltaic industry. In recent years, insurance companies have adopted a more conservative approach to risk

assessment for renewable energy facilities, leading to higher property and casualty insurance rates and stricter underwriting conditions, which has even affected the financing feasibility of some projects.

D. Corresponding measures

- (1) Continue to collaborate with green power supply platform companies to conduct green power supply operations, thereby enhancing the investment returns of our projects.
- (2) Maintain a long-term focus on domestic and international photovoltaic power generation policies and market trends, and work closely with strategic partners to jointly develop high-quality, large-scale photovoltaic projects.
- (3) Stay abreast of government policies and evaluate equipment upgrades to improve the power generation efficiency of currently operational projects.
- (4) Collaborate with reputable O&M service providers to implement regular inspections and maintenance. Conduct site inspections before and after typhoons and following earthquakes to ensure stable site operations.
- (5) Maintain sound financial planning, establish strong cooperative relationships with financial institutions, and effectively utilize government green energy financing resources to reasonably reduce overall capital costs, thereby improving the internal rate of return on investments.

(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.

Item	2025				2024				Up to 2026 Q1			
	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

Item	2025				2024				Up to 2026 Q1 (Note 2)			
	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 2026 Q1 (%)	Relationship with the issuer
1	G	120,952	26	None	G	138,710	28	None				None
2	H	97,496	21	None	H	101,081	21	None				None
3	C	62,425	13	None	C	12,251	2	None				
	Others	192,886	40		Others	239,991	49		Others			
	Net sales	473,759	100		Net sales	492,033	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, 2026

Year		2024	2025	The current year up to April 30, 2026
Number of employees	Management staff	16	18	18
	Sales staff	6	6	6
	Direct staff	44	41	41
	Total	66	65	65
Average age		43.45	43.22	43.38
Average years of service		13.75	14	14.02
Degree of Education	PhD	0	0	0
	Master	9	8	8
	College	27	29	29
	Senior high school	29	28	28
	Below senior high school	1	0	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	2024	2025
Damage Compensation and environmental protection audit results for violations of environmental protection regulations	Violation of Article 24(2) and (4) of the Air Pollution Control Act.	Violation of Article 24(2) and (4) of the Air Pollution Control Act.
Disposition date	2024/1/3	2025/1/27
Disposition document number	Zhongshi Huankong Zi No. 1130163833 (Ruling No. 20-114-010007)	Zhongshi Huankong Zi No. 1150011747 (Ruling No. 20-115-010064)
Content of the violated regulation	The raw material consumption and product output at the Taichung Port West 2 terminal exceeded the limits specified in the Stationary Pollution Source Operation Permit.	The raw material consumption and product output at the Taichung Port West 2 terminal exceeded the limits specified in the Stationary Pollution Source Operation Permit.
Content of the Disposition	1. fine of NT\$100,000, to be paid before 2025/2/19. 2. The date of correction: 2025/3/19. 3. 2 hours of environmental lectures.	1. fine of NT\$100,000, to be paid before 2026/3/6. 2. The date of correction: 2026/1/5. 3. 2 hours of environmental lectures.
Estimated amount of current and possible future occurrence	Penalty: NT\$100,000.	Penalty: NT\$100,000.

Year Item	2024	2025
Corresponding measure	1. 2025/2/14 to complete payment of fines. 2. 2025/3/14 to submit the application to Taichung City EPB for the change of stationary source operation permit.	1. 2026/2/6 to complete payment of fines. 2. 2026/3/26 to submit the application to Taichung City EPB for the change of stationary source operation permit.

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

1. Information on Expenditures for Environmental Protection, Occupational Health, and Safety

The Company places the utmost importance on service quality, environmental protection, and occupational health and safety (EHS) management. Since 1996, we have progressively implemented various management systems.

Our objective is to consistently provide high-quality services for the storage and transfer of petrochemical products, while simultaneously balancing quality control with environmental protection and elevating standards for occupational health and safety.

The implementation history and current status of each management system are outlined below:

(1) Quality Management System (ISO 9001:2015):

The Company initially implemented the ISO 9002 management system in 1996. In 1999, we transitioned from ISO 9002 to the ISO 9001 Quality Management System. To ensure the continued effectiveness of the system, we have consistently refined our service quality, optimized Standard Operating Procedures (SOPs), and updated management system documentation.

Since obtaining the ISO 9001:2015 transition certificate on August 7, 2017, the Company has maintained its certification through rigorous audits. An external certification body completed the document review on January 29, 2024, and finalized the recertification audit on March 4, 2024. The current certificate

remains valid until March 20, 2027.

(2) Environmental Management System (ISO 14001:2015):

The Company implemented the ISO 14001 Environmental Management System in 1997. In compliance with domestic environmental regulations, we have established operational management procedures for stationary pollution sources, toxic and concerned chemical substances, waste management, and more.

We regularly review and verify operational controls, continuously update system documentation, and refine standardized operating procedures (SOPs) to ensure the ongoing effectiveness of the management system.

We regularly review and verify operational controls, continuously update system documentation, and refine standardized operating procedures (SOPs) to ensure the ongoing effectiveness of the management system.

(3) Occupational Health and Safety Management Systems (ISO 45001 & CNS 45001:2018):

The Company implemented the Occupational Health and Safety Management System (OHSAS 18001 & CNS 15506) in 2013. Following the official transition and renaming of the standard to ISO 45001 in 2018, we have continuously optimized our standardized operating procedures and implemented OHS management measures to maintain the system's effectiveness.

The external certification body completed the document review for the ISO 45001 & CNS 45001:2018 management system on January 29, 2024, and finalized the recertification audit from March 4 to 6, 2024. The current certificate remains valid until March 21, 2027.

(4) Chemical Distribution Institute-Terminal (CDI-T) certification:

The Company has been a member of the Chemical Distribution Institute-Terminals (CDI-T) since October 2011. Every three years, we commission an accredited body designated by the Institute to conduct management and technical inspections (questionnaires) of our petrochemical terminal storage and transfer operations.

A professional certification body completed the management and technical inspection for our petrochemical terminal operations from August 22 to 25, 2023. Following the audit, we were awarded the CDI-T Certificate, which is valid from September 1, 2023, to August 31, 2026.

The Company's expenditures on environmental protection, occupational safety and health in 2025 are shown below.

Serial number	Type	Item	Expense (NTD)
1	Government Fees	Fixed source air pollution prevention fee for Taichung Port West 2 and West 5 terminals.	1,903,498
2	Government Fees	Environmental License Application Data Review and Certificate Fee for Taichung Port West 2 and West 5 terminals..	596,702
3	Government Fees	External inspection fee for Taichung Port West 2 and West 5 terminals.	77,710
4	Equipment Purchase	Firefighting inspection and repair reporting and equipment maintenance and renewal fees for Taichung Port West 2 and West 5 terminals.	690,843
5	Equipment Purchase	Groundwater pollution remediation plan remediation expense for Taichung Port West 2 and West 5 terminals.	1,712,407
6	Equipment Purchase	Maintenance fees for storage tanks and auxiliary equipment expense for Taichung Port West 2 and West 5 terminals.	60,407,571
7	Equipment Purchase	Personal protective gear and contingency equipment expense for Taichung Port West 2 and West 5 terminals.	792,229
8	Environmental Expenditures	Tanks business waste removal and disposal expense for Taichung Port West 2 and West 5 terminals.	2,233,410
9	Environmental Health Expenses	Non-destructive storage tank inspection and notarization fees for Taichung Port West 2 and West 5 terminals.	4,274,350
10	Environmental Security Expenses	Regular tracking of ISO management system for West 2 and West 5 tank farms	203,660
11	Environmental Security	Environmental safety and health inspection fees for Taichung Port West	1,712,715

Serial number	Type	Item	Expense (NTD)
	Expenses	2 and West 5 terminals.	
12	Occupational Safety and Health Expenses	Personnel health inspection fee for Taichung Port West 2 and West 5 terminals.	183,529
13	Environmental Security Expenses	Instrument calibration and maintenance fees for Taichung Port West 2 and West 5 terminals.	418,960
14	Environmental Security Expenses	Environmental safety and health miscellaneous expenses for Taichung Port West 2 and West 5 terminals.	1,463,164
15	Environmental security expenses	Environmental protection business entrusted to the consultant fee for Taichung Port West 2 and West 5 terminals.	310,000
Total:			76,980,748

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

(1) As of 2025, the West-2 terminal operates a total of 19 Internal Floating Roof Tanks (IFRT) for atmospheric storage. The front and rear loading areas are equipped with 2 sets of Vapor Recovery Units (VRU- Condensation System), with an additional 3 sets of VRUs installed in the fixed-roof tank area.

The West 5 terminal operates 17 Internal Floating Roof Tanks. One Vapor Recovery Unit (VRU) is installed in the loading area. Furthermore, starting in 2023, a new VRU was installed for the fixed-roof tanks in the A400 tank area.

(2) Residual liquids in storage tanks are drained into 1-kiloliter residual containers. These are then disposed of through Class-A waste clearing and treatment providers, or reclaimed by customers for reuse. This procedure prevents the accumulation of residuals in wastewater sumps, thereby eliminating the risk of indirect groundwater contamination via seepage.

(3) For Class 1 and Class 2 toxic chemicals at the West-5 Tank Farm, the Company has installed 18 gas detectors and 3 alarm systems across the tank hulls, loading areas, and pump stations. This system enables real-time detection of any abnormal toxic chemical leakage.

(4) The Company conducts annual VOC reduction rate testing for vapor recovery units and quarterly Leak Detection and Repair (LDAR) for equipment components at the West-2 and West-5 Tank Farms to monitor and control air pollutant emissions.

(5) In 2025, periodic monitoring of air quality and groundwater (from east and west monitoring wells) was conducted at the West-5 site. Results indicate that air and groundwater quality have not deteriorated due to storage and transfer operations.

The Company integrated Risk Management and Bioremediation into the "Groundwater Pollution Control Plan for West-2 Tank Farm (3rd Revision)." Following a review meeting on July 9, 2024, the Taichung City Environmental Protection Bureau approved the plan on October 16, 2024, with a remediation deadline set for October 15, 2034.

As of September 2025, all groundwater monitoring parameters remained below the Class 2 Groundwater Pollution Control Standards. Soil monitoring showed that low-carbon chain Total Petroleum Hydrocarbons (TPH) levels are within limits; however, high-carbon chain TPH levels in certain areas still exceed

standards. We will continue to outsource In-situ Remediation, health risk management, and periodic monitoring to reduce these concentrations.

- (III) According to the regulations of TWSE Tai-Zheng-Shang-Zi No. 0950007006 dated April 13, 2006 and the TPEx Zheng-Gui-Jian-Zi 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 2025 are listed below:

Type of training	Number of courses	Number of participants	Training hours	Costs
Management ability	66	186	638	\$274,732
Operational skills	17	54	492	\$131,850
Languages	2	17	124	\$174,300
New employees	243	17	685	\$0

- (2) The state of finance and accounting staff, and auditors obtaining the relevant licenses as specified by the competent authorities
- a. Accounting Supervisor Continuing Education: 1 person.

- b. Accounting Supervisor Duty Agent Course: 1 person
- c. Corporate governance supervisor continues education: 1 person
- d. Generative AI x Python Web Scraping: Practical Application and Data Visualization: 1 person.
- e. Financial Statement Analysis under IFRS for Internal Auditors: Interpreting Business Performance and Risks: 1 person.
- f. Practical Seminar on Corporate Contracts from an Operating Cycle Perspective: 1 person.
- g. Seminar on Auditing Practices for Annual Operating Plans and Budget Preparation: 1 person.

3. 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 chairperson.
 - 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) The Company implements a Behavior-Based Safety (BBS) observation and improvement proposal system. In 2025, we recorded 80 safety improvement proposals, 113 near-miss incidents, and 71 field behavioral safety observation reports. In addition to investigating the direct, indirect, and root causes of each near-miss and formulating corrective actions, the Company allocates necessary resources and budgets to address the risks identified in improvement proposals and behavioral safety observations. These efforts aim to reduce accident frequency, minimize

potential losses, and prevent the recurrence of hazardous incidents.

- (2) In accordance with Paragraph 1, Article 4 of the Labor Health Protection Rules, the Company has commissioned a professional medical team to implement the 2025 On-site Healthcare Services Plan.

We have adopted various health promotion measures for the Four Major Occupational Health Plans, the Maternal Health Protection Plan, and the Respiratory Protection Plan, as outlined below:

- Health Promotion Plan: In accordance with the Occupational Safety and Health Act and related regulations, the Company completed its annual General Physical Examination and Special Health Examination for hazardous operations on April 8, 2025.

A professional nurse assessed the 2025 health examination results to implement health grading management. The distribution is as follows: Level 1 management: 2 employees; Level 2 management: 15 employees (with 1 actual interview); Level 3 management: 13 employees (with 6 actual interviews); and Level 4 management: 12 employees (with 11 actual interviews).

The 2025 general physical examination results indicate that the number of individuals with abnormalities in abdominal ultrasounds (covering the liver, gallbladder, pancreas, kidney, spleen, etc.), body fat, blood pressure, and cholesterol has been decreasing year by year. However, due to a reduction in the company's total headcount, the percentage of abnormalities shows an upward trend. The recommended actions are to adopt a light diet and maintain a regular exercise routine of three times per week.

In October 2025, the Company organized a health promotion activity (a weight and body fat loss competition) to encourage employees to achieve healthier body compositions. The Employee Welfare Committee also provides exercise subsidies and continues to host an annual sports meet with cash prizes before the year-end banquet to promote an active lifestyle among staff.

Special Hazardous Health Examination: Regarding special health examinations for hazardous operations in 2025, there were zero employees classified under Level 4 management

for Dimethylformamide (DMF) or 1,3-Butadiene (BD) exposure. Level 2 personnel continue to receive interviews and follow-up care from professional nurses. Furthermore, the Company consistently strengthens the promotion and management of Personal Protective Equipment (PPE) for frontline personnel involved in chemical operations.

- Overload prevention plan: In 2025, the Company conducted overwork risk assessments for 43 employees based on overwork questionnaires, the 10-year cardiovascular disease risk assessment (Framingham Risk Score), and work patterns. Among the evaluated staff, 1 employee has since resigned, 40 employees were classified as not requiring interviews, 2 employees were recommended for interviews (with 1 actual interview conducted), and 0 employees were classified as requiring mandatory medical interviews.
- Ergonomic Hazard Prevention Plan: Based on the Musculoskeletal Disorder (MSD) Survey Questionnaire, the Company conducted ergonomic hazard assessments for a total of 43 employees. Among the evaluated staff: 1 employee has resigned, 34 were identified as having no hazards, 8 were identified with suspected hazards (with 8 actual interviews conducted), 0 were identified with confirmed hazards, and 0 were identified with suspected occupational diseases.
- Workplace Violence and Harassment Prevention Plan: In 2025, all departments at the Company's Taichung Terminal jointly conducted workplace violence hazard identification and risk assessments, along with environmental inspections of the workplace for prevention purposes. There were zero reported cases of workplace violence or harassment in 2025.
- Maternal Health Protection Plan: On May 23, 2025, an Occupational Medicine Specialist conducted an environmental hazard and risk assessment for the West-2 and West-5 Tank Farms. The assessment concluded that all operational areas are classified as Level 1 Management (representing the lowest risk level). In 2025, there were no pregnant female employees on staff. The Company plans to implement specific health protection measures immediately should any employee become pregnant; otherwise, the next comprehensive workplace hazard risk assessment is

scheduled for 2028.

- **Respiratory Protection Plan:** In May 2025, the field operations supervisors, Occupational Safety and Health (OSH) personnel, and the on-site healthcare nurse jointly conducted a respiratory protection equipment (RPE) field assessment.

During the 2025 on-site health service interviews, spot checks on RPE usage were performed for 10 employees. The results showed that all 10 individuals demonstrated proper usage, though one employee had missing dust covers for their filters, which were promptly replaced. The Company conducts Fit Testing for half-face respirators annually; any damaged masks identified during the process are replaced immediately.

(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.

	2024	2025	April 30, 2026
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	Workflow	Technology
Raising awareness of information security	Optimization of information security process	Strengthen the information security infrastructure
<ul style="list-style-type: none"> ■ Regularly provide information for security information. ■ Promote and supervise colleagues to follow the information security policy. ■ Provide ad virus Information security education trainings. 	<ul style="list-style-type: none"> ■ Build information management and usage guidelines. ° ■ Implementation of Personal information protection mechanism ■ Optimize information security assessment and implementation process. 	<ul style="list-style-type: none"> ■ 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 2025

Items	NTD(in thousands)
Anti-virus software	22
Firewall Maintenance Expenses	329
System maintenance (including backup) Expenses	120

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	2018.03.16~2029.12.31	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	2024.07.01~2025.09.30	Petrochemical shore tank storage services	None
Terminal Service Agreement	C	2024.07.01~2026.03.15	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	2025	2024	Difference.	
			Amount	%
Current assets	\$213,569	\$248,114	(34,545)	(14%)
Property, Plant and Equipment	1,111,524	1,180,605	(69,081)	(6%)
Intangible asset	435	1,509	(1,074)	(71%)
Other assets	467,074	539,404	(72,330)	(13%)
Total assets	1,792,602	1,969,632	(177,030)	(9%)
Current liabilities	221,546	177,265	44,281	25%
Non-current liabilities	281,518	506,821	(225,303)	(44%)
Total liabilities	503,064	684,086	(181,022)	(26%)
Equity attributable to shareholders of the parent company	1,289,105	1,285,104	4,001	0%
Share capital	778,344	778,344	0	0%
Additional paid-in capital	87,206	77,397	9,809	13%
Retained earnings	412,798	414,156	(1,358)	0%
Other equity interests	10,757	15,207	(4,450)	(29%)
Non-controlling interests	433	442	(9)	(2%)
Total shareholders' equity	1,289,538	1,285,546	3,992	0%

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. Decrease in current assets: this resulted from the scheduled gradual repayment of bank loans during the period, leading to a reduction in both 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: due to the reduction in right-of-use assets as a result of the periodic recognition of depreciation expenses, which led to a decrease in the carrying amount of the right-of-use assets.
5. Increase in current liabilities: as a result of a rise in short-term bank borrowings in line with operational needs, resulting in higher current liabilities compared to the previous period.
6. Decrease in non-current liabilities: The planned, phased repayment of long-term bank loans and lease liabilities—classified as non-current—resulted in a decrease in non-current liabilities for the current period compared to the previous period.

II. Review and analysis of financial performance

(I) Review and analysis of financial performance - Consolidated

Unit: Thousands of NTD, unless otherwise specified

Item	2025	2024	Increase (decrease) amount	Change percentage (%)
Net operating revenue	\$473,759	\$492,033	(18,274)	(4%)
Operating cost	(325,572)	(311,910)	13,662	4%
Operating gross margin	148,187	180,123	(31,936)	(18%)
Operating expenses	(70,877)	(67,288)	3,589	5%
Net operating income	77,310	112,835	(35,525)	(31%)
Non-operating income or expenses	14,502	21,347	(6,845)	(32%)
Income before income tax	91,812	134,182	(42,370)	(32%)
Income tax expense	(15,221)	(27,036)	(11,815)	(44%)
Current period net profit	76,591	107,146	(30,555)	(29%)
Other comprehensive income for the year (net)	(4,574)	13,060	(17,634)	(135%)
Total comprehensive income for the period	72,017	120,206	(48,189)	(40%)
Basic earnings per share (NTD)	0.98	1.38	(0.4)	(29%)

Analysis and explanation of the increase or decrease percentage

1. Decrease in Operating Revenue:

- (1) The Tank Storage Service Division was affected by (A) fluctuations in the oil trading market due to international factors, such as U.S. tariff policies, resulting in oil tank customer revenue being higher in the first half and lower in the second half of the year; however, full-year revenue still recorded a slight increase, and throughput volume remained comparable to the previous period, and (B) chemical customers continued to be impacted by low-priced competition from Chinese chemical products and U.S. tariff policies, leading to declines in both revenue and throughput volume for chemical tanks; in total, combined revenue decreased by approximately NT\$7.65 million, or 2%.
- (2) The Energy Division's domestic projects experienced a slight decrease in revenue compared to the previous period, mainly due to weather impacts such as typhoons and an increased number of rainy days, while overseas projects saw a significant decline in revenue due to theft incidents at the end of 2024 and the need to replace faulty power generation equipment components; combined, total revenue decreased by approximately NT\$10.62 million, or 9%.

2. Increase in Operating Costs:

- (1) The Tank Storage Service Division recorded an increase of approximately NT\$13.16 million, primarily attributable to the following factors: (A) higher



personnel expenses, mainly due to salary adjustments in 2025, an increase in total overtime hours, and higher project engineering consultancy fees; (B) increased charges for wharf passage and administrative expenses, mainly due to timing differences between the two periods; (C) higher miscellaneous purchases, primarily driven by an increase in safety improvement proposals, resulting in additional minor engineering modifications and equipment replacement or acquisition; (D) increased miscellaneous expenses, mainly due to higher waste disposal and equipment maintenance costs; and (E) higher nitrogen expenses, mainly due to rising electricity prices leading to an increase in nitrogen unit costs, as well as a slight increase in consumption compared to the previous period.

- (2) The Energy Division recorded an increase of approximately NT\$0.5 million, mainly due to higher repair and maintenance expenses.
3. Increase in operating expenses: operating expenses were primarily attributable to (1) higher personnel expenses, mainly due to salary adjustments in 2025; and (2) increased service fees, mainly resulting from the Energy Division's acquisition of certain sites from three wholly-owned subsidiaries during the period, which led to higher administrative costs associated with the acquisition process.
4. Decrease in non-operating income or expenses:
 - (1) The increase in other income was mainly due to penalty payments from certain customers for early contract termination, earthquake claims under property insurance, and higher cash dividends received from financial assets measured at fair value through profit or loss;
 - (2) The decrease in other gains and losses was mainly attributable to the recognition of theft losses caused by damage to solar equipment assets at overseas subsidiaries;
 - (3) The share of profit or loss of associates and joint ventures accounted for using equity method decreased, mainly due to reduced investment gains from the investee companies.
5. Income tax expense decreased, reflecting a decline in profit before tax compared to the previous period as a result of the combined factors described above.
6. Other comprehensive income decreased, as foreign operations and associates' financial statements translation differences were affected by a decline in the U.S. dollar exchange rate during the period, resulting in a reduction of cumulative foreign currency translation adjustments.

III. Review and analysis of cash flow

(I) Liquidity analysis for the last two years

Item	Year		Increase (decrease) percentage %
	December 31, 2025	December 31, 2024	
Cash flow ratio	123%	160%	(23)
Cash flow adequacy ratio	122%	103%	18

Item	Year	December 31, 2025	December 31, 2024	Increase (decrease) percentage %
	Cash reinvestment ratio		8%	9%
Analysis and explanation of the increase or decrease percentage change Decrease in cash flow ratio: The cash flow ratio decreased primarily because current liabilities increased during the period due to higher short-term bank borrowings in line with operating needs. In addition, a decline in pre-tax income during the period led to lower net cash inflows from operating activities. Taken together, these factors led to a lower 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
152,085	218,806	226,411	144,480	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 a management-oriented 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	2025	2024
Consolidated interest expenses (1)	10,560	11,978
Consolidated net income before tax (2)	91,812	134,182
(1) / (2)	11.50%	8.93%

The consolidated interest expense of the Company and its subsidiaries for the year 2025 amounted to NT\$10,560k, accounting for 11.50% of the pre-tax net income for the year, representing an increase compared to 2024.

In 2025, 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 2025 compared to 2024, 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 2025. 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	2025	2024
Consolidated exchange gain (loss) (1)	(1,778)	2,101
Consolidated net income before tax (2)	91,812	134,182
(1) / (2)	(1.94%)	1.57%

In 2025, the Company recognized foreign exchange losses of NT\$1,778k, accounting for 1.94% of the pre-tax net income for the year. This was primarily attributable to exchange losses realized from the partial return of invested capital by ABV III Holding Co., Ltd.

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.



Our Energy Division remains committed to capitalizing on opportunities within the government's green energy policies and global decarbonization trends, with a primary focus on solar power systems. To date, we have established a combined domestic and international capacity of approximately 23MW.

Due to Taiwan's limited land area and highly dense, traditional rooftop and ground-mounted solar sites are nearing saturation. This has shifted industry focus toward agrivoltaics (solar-agriculture), aquaculture-solar hybrids, and floating solar systems. However, balancing renewable energy development with environmental sustainability remains a challenge, which has occasionally drawn public scrutiny.

The severe typhoon damage in July 2025 further highlighted systemic vulnerabilities in the industry's disaster recovery and cleanup processes. Consequently, regulatory authorities are refining management frameworks for the solar industry. Key updates include enhanced wind resistance standards for rooftop systems, mandatory biennial inspections and cleaning, improved disaster reporting mechanisms, and the upfront collection of module recycling fees. These measures aim to strengthen self-regulation and emergency response capabilities among solar power operators.

However, because our company has always insisted on premium-grade solar modules, inverters, and high-specification construction through reputable EPC contractors, our systems already meet or exceed these new requirements. Consequently, these strengthened regulations regarding self-management and disaster reporting will have no material impact on our ongoing solar operations.

(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 revenue 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 or major shareholders with 10% stake or more and corresponding measures:

There was no massive transfer of shares by the Company's directors or major shareholders with a 10% stake or more in 2025.

(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 general manager, 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, and 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.

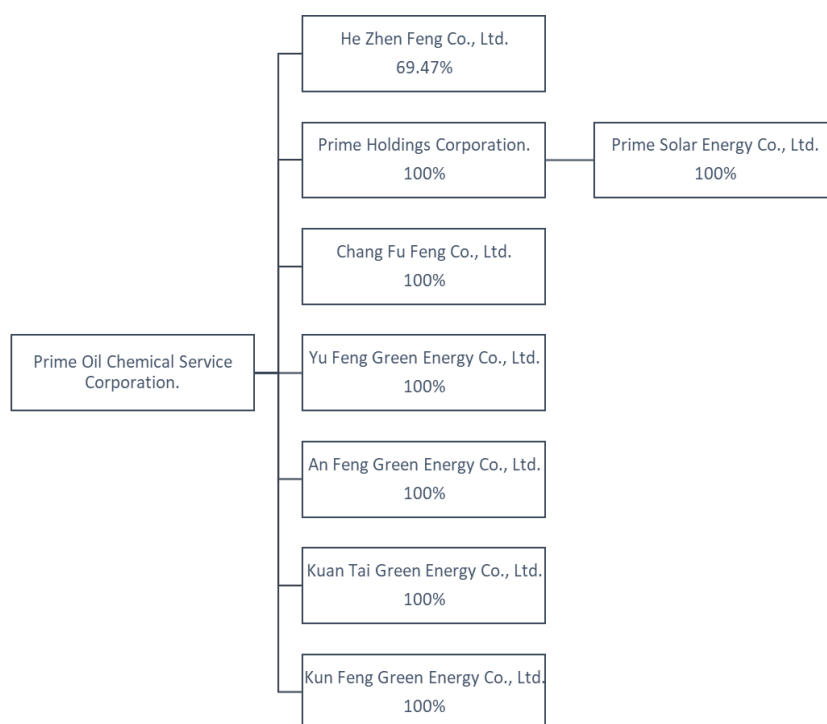
VII. Other important matters: None.

Six. Special matters

I. Information on affiliates:

(I) Consolidated business report of affiliates

1. Organizational chart of affiliates: (April 30, 2026)



2. Basic information on affiliates (April 30, 2026)

Company name	Date of establishment	Total paid-in shares	Main business or business model
He Zhen Feng Co., Ltd.	2010.07.02	100,000	Real Estate Leasing
Prime Holdings Corporation.	2019.02	30,000	Holding and Trading
Prime Solar Energy Co., Ltd.	2019.09	1,700,000	Real Estate Development
Chang Fu Feng Co., Ltd.	2014.06	10,718,000	Solar Power Generation Business
Yu Feng Green Energy Co., Ltd.	2024.10	18,027,000	Solar Power Generation Business
An Feng Green Energy Co., Ltd.	2025.03	5,000,000	Solar Power Generation Business
Kuan Tai Green Energy Co., Ltd.	2025.03	6,633,000	Solar Power Generation Business

Company name	Date of establishment	Total paid-in shares	Main business or business model
Kun Feng Green Energy Co., Ltd.	2025.03	100,000	Solar Power Generation Business

3. Information on directors and supervisors and presidents of affiliates
(2026/4/30)

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	10,718,000	100%
Yu Feng Green Energy Co., Ltd.	Chairman	Prime Oil Chemical Service Corporation. Representative: Liao, Shu-Chun	18,027,000	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	6,633,000	100%
Kun Feng Green Energy Co., Ltd.	Chairman	Prime Oil Chemical Service Corporation. Representative: Liao, Shu-Chun	100,000	100%

4. 2025 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 Chen Feng Co., Ltd.	1,000	1,452	30	1,422	0	-43	-30	-0.3
Prime Holdings Corporation.	US\$6,298,770	US\$6,654,556	US\$15,383	US\$6,639,173	US\$209,506.67	US\$-175,285.06	US\$-423,226.13	US\$-0.0672
Prime Solar Energy Co., Ltd.	US\$1,700,000	US\$1,687,703.9	US\$3,980.95	US\$1,683,722.95	US\$0	US\$-3,985.95	US\$-3,369.7	US\$-0.002
Yufeng Green Energy Co., Ltd.	180,270	219,546	30,635	188,911	21,400	8,864	8,793	0.49
Chang Fu Feng Co., Ltd.	107,180	111,094	3,572	107,522	10,606	2,038	565	0.05
Kuan Tai Green Energy Co., Ltd.	66,330	78,873	9,687	69,186	6,382	2,884	2,855	0.43
An Feng Green Energy Co., Ltd.	50,000	50,074	100	49,974	0	-229	-26	-0.0052
Kun Feng Green Energy Co., Ltd.	1,000	948	30	918	0	-87	-82	-0.82

(II) Consolidated financial statements of affiliates.

Prime Oil Chemical Service Corporation

Statement of Consolidated Financial Statements of Affiliated Companies

For 2025 (from January 1, 2025 to December 31, 2025), 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 (IFRS 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.

We hereby declare

Company name: Prime Oil Chemical Service
Corporation

Representative: Liao, Shu-Chun

March 12, 2026

(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: On June 10, 2025, the regular shareholders' meeting was held to elect directors and independent directors.

V. Disclosure of financial instruments

(I) Categories of financial instruments

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Financial asset</u>		
Financial assets at fair value through profit and loss		
Financial assets mandatorily measured at fair value through profit or loss	\$ 90,454	\$ 130,321
Financial assets at fair value through other comprehensive income		
Investments in designated equity instrument	\$ 4,717	\$ 4,622
Financial assets measured at amortized cost		
Cash and cash equivalents	\$ 152,085	\$ 190,930
Trade receivable	36,689	45,984
Financial assets measured at amortized cost – non-current	20,700	23,773
Guarantee deposits received	56,624	48,579
	<u>\$ 266,098</u>	<u>\$ 309,266</u>
	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Financial liability</u>		
Financial liabilities measured at amortized cost		
Short-term borrowings	\$ 50,000	\$ -
Short-term notes and bills payable	20,000	-
Notes payable	6,995	-
Other payables	50,484	52,540
Long-term borrowings (including portions due within one year)	190,853	369,739
Guarantee deposits received	440	440
	<u>\$ 318,772</u>	<u>\$ 422,719</u>
lease liabilities	<u>\$ 131,783</u>	<u>\$ 196,848</u>

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.

	<u>December 31, 2025</u>			<u>Sensitivity Analysis</u>		
	<u>Foreign currency (NTD in thousands)</u>	<u>Exchange rate</u>	<u>Carrying amount (NTD)</u>	<u>Change range</u>	<u>Impact on profit or loss</u>	<u>Impact on comprehens ive income</u>
<u>Financial asset</u>						
<u>Monetary items</u>						
USD: NTD	\$ 712	31.38	\$ 22,343	1%	\$ 223	\$ -
<u>Non-monetary items</u>						
USD: NTD	\$ 12,497	31.38	\$ 392,164	1%	\$ -	\$ -

December 31, 2024

	<u>Sensitivity Analysis</u>					
	<u>Foreign currency (NTD in thousands)</u>	<u>Exchange rate</u>	<u>Carrying amount (NTD)</u>	<u>Change range</u>	<u>Impact on profit or loss</u>	<u>Impact on comprehensi ve income</u>
<u>Financial asset</u>						
<u>Monetary items</u>						
USD: NTD	\$ 741	32.74	\$ 24,257	1%	\$ 243	\$ -
<u>Non-monetary items</u>						
USD: NTD	\$ 12,579	32.74	\$ 411,758	1%	\$ -	\$ -

C. The total amount of exchange gain (losses) (both realized and unrealized) recognized in 2025 and 2024 was (\$1,778) and \$2,101, 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 2025 and 2024, 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, 2025 and December 31, 2024, if the interest rate of all borrowings increased by 1% with all other factors held constant, net profits after tax would have decreased by \$2,087 and \$2,958 for 2025 and 2024, 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, 2025 and December 31, 2024.

(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, 2025	<u>Less than 1 year</u>	<u>Less than 1 to 2 years</u>	<u>More than 2 years</u>
Short-term borrowings	\$ 50,252	\$ -	\$ -
Short-term notes and bills payable	20,053	-	-
Notes payable	6,995	-	-
Other payables	50,484	-	-
lease liabilities	60,469	59,832	20,782
Guarantee deposits received	-	-	440
Long-term borrowings (including portions due within one year or one operating cycle)	<u>32,912</u>	<u>32,540</u>	<u>142,481</u>

Total	<u>\$ 221,165</u>	<u>\$ 92,372</u>	<u>\$ 163,703</u>
<u>Non-derivative financial liabilities:</u>			
December 31, 2024	<u>Less than 1 year</u>	<u>Less than 1 to 2 years</u>	<u>More than 2 years</u>
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)	<u>62,847</u>	<u>72,729</u>	<u>265,451</u>
Total	<u>\$ 175,858</u>	<u>\$ 139,862</u>	<u>\$ 339,874</u>

(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, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets at fair value through profit and loss				
Investment in private equity	\$ -	\$ -	\$ 90,454	\$ 90,454
Financial assets at fair value through other comprehensive income				
Equity security	<u>-</u>	<u>-</u>	<u>4,717</u>	<u>4,717</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,171</u>	<u>\$ 95,171</u>
December 31, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
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	<u>-</u>	<u>-</u>	<u>4,622</u>	<u>4,622</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$134,943</u>	<u>\$134,943</u>

3. The following table shows the changes in Level 3 for 2025 and 2024.

	<u>2025</u>	<u>2024</u>
	<u>Non-derivative equity security</u>	<u>Non-derivative equity security</u>
January 1	\$ 134,943	\$ 107,321
Addition for the period	-	57,069
Refunds from capital reduction in the current period	(39,848)	(23,814)
Loss recognized in profit or loss	(19)	(5,144)
Profit (loss) recognized in other comprehensive income	<u>95</u>	<u>(489)</u>
December 31	<u>\$ 95,171</u>	<u>\$ 134,943</u>

4. In 2025 and 2024 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.

	<u>December 31,</u> <u>2025 fair value</u>	<u>Valuation</u> <u>technique</u>	<u>Significant</u> <u>unobservable</u> <u>input value</u>	<u>Interval</u> <u>(Weighted</u> <u>average)</u>	<u>Relationship</u> <u>between input value</u> <u>and fair value</u>
Non-derivative equity security:					
Non-TWSE or TPEX listed stock	\$ 4,717	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value
Investment in private equity	90,454	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value
	<u>December 31,</u> <u>2024 fair value</u>	<u>Valuation</u> <u>technique</u>	<u>Significant</u> <u>unobservable</u> <u>input value</u>	<u>Interval</u> <u>(Weighted</u> <u>average)</u>	<u>Relationship</u> <u>between input value</u> <u>and fair value</u>
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

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.

		<u>December 31, 2025</u>				
		<u>Recognized in profit or loss</u>			<u>Recognized in other comprehensive Income</u>	
		<u>Favorable</u>	<u>Unfavorable</u>	<u>Favorable</u>	<u>Unfavorable</u>	
<u>Input value</u>	<u>Change</u>	<u>change</u>	<u>change</u>	<u>change</u>	<u>change</u>	<u>change</u>
Financial asset						
Equity instruments	The discount for lack of marketability and the discount for lack of controlling interests	±1%	\$ -	\$ -	\$ 47	(\$ 47)
Investment in private equity	Net asset value	±1%	<u>905</u>	<u>905</u>	<u>-</u>	<u>-</u>
Total			<u>\$ 905</u>	<u>\$ 905</u>	<u>\$ 47</u>	<u>(\$ 47)</u>
		<u>December 31, 2024</u>				
		<u>Recognized in profit or loss</u>			<u>Recognized in other comprehensive Income</u>	
		<u>Favorable</u>	<u>Unfavorable</u>	<u>Favorable</u>	<u>Unfavorable</u>	
<u>Input value</u>	<u>Change</u>	<u>change</u>	<u>change</u>	<u>change</u>	<u>change</u>	<u>change</u>
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%	<u>1,303</u>	<u>(1,303)</u>	<u>-</u>	<u>-</u>
Total			<u>\$ 1,303</u>	<u>(\$ 1,303)</u>	<u>\$ 46</u>	<u>(\$ 46)</u>

Prime Oil Chemical Service Corporation.

Chairman: Liao, Shu-Chun