



TAINERGY TECH CO., LTD.

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I. Message to Shareholders

1. Operating Results in FY2024

Founded in May 2007, Tainergy is engaged in the research, design, manufacturing, and sales of solar cells, modules, and related systems. In recent years, the industry has faced various challenges, including the U.S. Section 201 tariffs, China's "6/1" solar policy, India's safeguard duties, and the termination of Europe's MIP (Minimum Import Price) measures on Chinese solar products. These developments led to a sharp decline in prices throughout the supply chain, significantly impacting the Company's revenue and profitability.

To address the situation, Tainergy adjusted its capacity utilization and adopted a selective order-taking approach. Through persistent effort and a customer-centric strategy, the Company recorded consolidated revenue of NT\$367,746 thousand for FY2024. The annual performance is detailed below:

(1) Business Plan Execution Results

Unit: NTD thousand

Item	2024	%	2023	%	Increase (Decrease)	% Change
Operating Revenue	367,746	100%	2,145,122	100%	(1,777,376)	(83%)
Gross Profit (Loss)	(138,922)	(37.8%)	250,910	11.7%	(389,832)	(155%)
Operating Income (Loss)	(745,357)	(202.6%)	(285,812)	(13.3%)	(459,545)	161%
Pre-tax Income (Loss)	(629,867)	(171.3%)	(190,536)	(8.9%)	(439,331)	231%

Note: Parentheses indicate losses or negative values. Percentage figures are based on operating revenue.

(2) Budget Execution

The Company was not required to publish any financial forecasts for FY2024, and therefore no variance analysis is provided.

(3) Financial Income and Profitability Analysis

Unit: NT\$ thousand

Category	Item	FY2024	FY2023	% Change
Financials	Operating Revenue	367,746	2,145,122	(83%)
	Gross Profit (Loss)	(138,922)	250,910	(155%)
	Pre-tax Income (Loss)	(629,867)	(190,536)	231%
Profitability	Return on Assets (%)	(22.28%)	(5.67%)	293%
	Return on Equity (%)	(31.62%)	(7.93%)	298%
	Operating Income / Capital (%)	(33.13%)	(12.70%)	161%
	Pre-tax Income / Capital (%)	(27.99%)	(8.47%)	231%
	Net Profit Margin (%)	(171.31%)	(8.87%)	1,831%
	EPS (NT\$)	(2.07)	(0.13)	1,533%

(4) R&D Status

1. Technology Level of Business Operations

The Company introduced advanced, high-capacity automated solar cell production equipment from abroad at the start of operations. Backed by experienced R&D leadership, solid management, and process engineering capabilities, Tainergy achieved optimal yield and conversion efficiency in a short time while minimizing costs and maximizing output.

To enhance its technical edge, the Company established an R&D lab to develop next-generation solar technologies. It has successfully introduced **TOPCon (Tunnel Oxide Passivated Contact)** technology through outsourced pilot production. Tainergy

continues to optimize its **PERC** and **TOPCon** lines and is actively exploring **HJT (Heterojunction)** and **BC (Back Contact)** as future high-efficiency platforms.

2. Key R&D Projects

R&D Category	Project Description
Process Optimization	1. Structural integration innovations 2. Metallization optimization 3. Laser-induced surface texturing
New Product Development	1. Ultra-thin passivation layers 2. High-resistivity conductive layers 3. Micro-nano composite textures
New Materials Application	1. Surface additives for silicon wafers 2. Grid metallization and composite conductors 3. New front/back layout designs

In summary, Tainergy’s R&D team plays a strategic role in shaping technical direction. The Company actively partners with domestic and international institutes to accelerate sustainable innovation. Continuous R&D investment in advanced applications and scalable production is key to maintaining its competitive edge and delivering long-term value to shareholders.

II. Summary of the 2025 Business Plan

(1) Business Strategy

1. Uph sustainable operations under the principle of “Company Prosperity, Employee Well-being” while developing green technologies aligned with the goals of environmental protection and economic value creation.
2. Expand solar cell supply chains outside tariff-imposed regions. Depending on market trends, cooperate with strategic partners to scale production and introduce module products to enhance competitiveness.
3. Although the Group has discontinued traditional in-house manufacturing, it is strategically shifting toward integrated energy systems combining **solar, storage, and EV charging** (“Solar-Charging-Storage”).

To support these efforts, the Group has launched a talent recruitment program targeting professionals in R&D, energy, system integration, and business operations.

These resources will drive innovation, platform development, and competitive capability as Tainergy evolves into a green energy technology company.

(2) Projected Sales Volume and Basis

Sales forecasts for FY2025 are based on the demand outlook and actual performance in FY2024. The primary focus remains on high-efficiency, high-quality solar cell products.

(3) Key Production and Sales Policies

- **Brand Visibility and Market Reach:** Participate in major energy and technology expos, promote brand and product recognition, and build partnerships globally.
 - **Customer Relationship and Service:** Maintain long-term client engagement, respond to application trends, and enhance satisfaction through customization and communication.
 - **Flexible Supply Chain:** Though in-house production is paused, the Company will integrate high-quality external partners to ensure cost-effective, stable sourcing.
 - **Focus on Cost Reduction through External Collaboration:** Leverage joint development, process optimization, and lead-time reliability to improve competitiveness and value creation.
-

III. Future Development Strategy

Tainergy aims to build a diversified green energy portfolio based on its photovoltaic expertise. Strategic directions include:

1. Improve Silicon Solar Cell and Module Efficiency

Focus on conversion rates, degradation control, and product longevity through material and partner collaboration.

2. **Expand into Energy Storage and EV Charging**
Develop energy storage systems and charging infrastructure to deliver integrated “Solar + Storage + Charging” solutions for smart buildings and transportation.
 3. **Innovative, Customized High-Efficiency Products**
Develop cell technologies like MWT and customized TOPCon; diversify cell sizes and structures for market adaptability.
 4. **Supply Chain Integration for Operational Flexibility**
Localize and integrate external resources to mitigate geopolitical and tariff risks, improving cost control and responsiveness.
 5. **Promote Solution-Oriented Energy Service Models**
Combine software monitoring, dispatching, and platform services to build recurring revenue from energy management applications.
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IV. Impact of External Competitive, Regulatory, and Macroeconomic Environment

The Company continues to face external pressures such as global trade policy changes and macroeconomic volatility. Notably:

- **Tariffs:** New U.S. anti-dumping duties on Southeast Asia–origin solar products have weakened the Company’s export competitiveness and pricing flexibility.
- **Overcapacity:** Rapid global capacity expansion led to intensified price competition and eroded industry profit margins.

In response, Tainergy is taking the following actions:

1. Explore shifting orders to low-tariff regions or indirect collaboration models.
2. Focus on high value-added markets and differentiated products.
3. Strengthen partnerships with module makers and system integrators.
4. Actively invest in new energy fields such as storage and EV charging to drive diversified growth.

The Company will continue to evaluate international developments and adjust operations accordingly to ensure stable and sustainable performance.

II. Corporate Governance Report

1. Board Members and Executive Officers

(1) Board of Directors

As of March 29, 2025 | Unit: Shares, %

Title	Nationality or place of registration	Name	Age and Gender	Date elected	Term	Date first elected	Shareholding when elected		Current Shareholding		Shareholdings of spouse and underage children		Shares held by proxy		Main career (academic) achievements	Concurrent position in the Company and in other companies	Other Managers, Directors, or Supervisors who are Spouses or Relatives within the Second Degree of Kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Corporate	Taiwan	KENMECHANICAL ENGINEERING CO., LTD.	—	2022.06.23	3 years	2007.04.26	61,132,856	27.17	61,132,856	27.17	0	0	0	0	None	None	None	None	None	
Corporate director representative	Taiwan	CHING-FU HSIEH	Male 71–80 years old	2022.06.23	3 years	2007.04.26	0	0	0	0	0	0	0	0	EMBA, National Chengchi University	Note 1	Director	MING-CHIH HSIEH	Father-son	Note

Title	Nationality or place of registration	Name	Age and Gender	Date elected	Term	Date first elected	Shareholding when elected		Current Shareholding		Shareholdings of spouse and underage children		Shares held by proxy		Main career (academic) achievements	Concurrent position in the Company and in other companies	Other Managers, Directors, or Supervisors who are Spouses or Relatives within the Second Degree of Kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Corporate director representative	Taiwan	LI-CHUAN SHEN	Female 51-60 years old	2022.06.23	3 years	2022.06.23	0	0	4,100	0	0	0	0	0	EMBA National Taipei University Accountant, Secretary, Section Chief, Deputy Manager of Management Department, Manager, Deputy General Manager, Vice President of Operations Management Center of KENMEC MECHANICAL ENGINEERING CO., LTD.	Director of TeraSolar Energy Materials Corp. (Legal Representative) Director of United Information System Service Co., Ltd. (Legal Representative) Director of Tao Garden Hotel Co., Ltd. (Legal Representative) Supervisor of Chief Global Logistics Co., Ltd. Supervisor of TAI VISION CO., LTD. General Manager of Operations Management Center of KENMEC MECHANICAL ENGINEERING CO., LTD.	None	None	None	
Director	Taiwan	MING-CHIH HSIEH	Male 41-50 years old	2022.06.23	3 years	2019.06.21	522	0	522	0	0	0	0	0	Graduated from the Department of Information of Christchurch Polytechnic Institute of Technology Assistant Manager, Manager, Deputy General Manager of KENMEC MECHANICAL ENGINEERING CO., LTD. Deputy manager, assistant vice president, vice President of KENMEC MECHA-TRONICS (SUZHOU) CO., LTD.	Director of Ming-Kai Investment Co., Ltd. Director of Kai-Xuan Investment Co., Ltd. Director of Suzhou KENMEC Property Development Ltd. Director of TKT CORPORATION Deputy of Anhui Rongyun Property Co., Ltd. Deputy Director Guangyun Machinery Engineering (Stock) Company General Manager of the Automation Business Group	Chairman	CHING-FU HSIEH	Father-son	

Title	Nationality or place of registration	Name	Age and Gender	Date elected	Term	Date first elected	Shareholding when elected		Current Shareholding		Shareholdings of spouse and underage children		Shares held by proxy		Main career (academic) achievements	Concurrent position in the Company and in other companies	Other Managers, Directors, or Supervisors who are Spouses or Relatives within the Second Degree of Kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Director	Taiwan	CHIEN-LIANG CHEN	Male 41-50 years old	2022. 06.23	3 years	2013.06. 28	0	0	0	0	0	0	0	0	EMBA in Advanced Management, National Yang Ming Chiao Tung University EMBA in Business Administration, , National Chengchi University Department of Business Management and Human Resources, Queensland University of Technology, Australia	Chairman of Visual Photonics Epitaxy Co., Ltd. Supervisor of Yuchuan Precision Materials Technology (Stock) Company	None	None	None	
Independent director	Taiwan	YAO-JUNG KAN	Male 51-60 years old	2022. 06.23	3 years	2012.06. 28	0	0	0	0	0	0	0	0	Master, Business Administration, National Chengchi University Executive Vice President and President of Singapore, Hong Leong/Millennium & Copthorne Hotels in Taiwan Chief of Staff and Spokesperson of MarkWell Group & Wei-Ta Cloud Telecom, Co., Ltd. Assistant vice president in the President office, Pacific Securities	President of Hong Leong Hotel Development Ltd. President of Millennium & Copthorne Hotels in Taiwan Independent director of CCMG	None	None	None	
Independent director	Taiwan	CHIA-HSIANG WANG	Male 41-50 years old	2022. 06.23	3 years	2013.06. 28	0	0	0	0	0	0	0	0	M.B.A. in Accounting, Gardner Webb University Master, Business Accountant, Delaware, USA Accountant in Taiwan Director of KPMG Assistant vice president of PAN CHINA (TW) CPAS Assistant vice president of Crowe (TW) CPAs	Partners and Directors of Crowe (TW) CPAs Chairman of Jing-Ye Enterprise Management Consulting (Shanghai) Co., Ltd. Chairman of R&W Asset Management Limited Corporate director representative of Zagg Taiwan Co., Ltd. Independent Director of Visual Photonics Epitaxy Co., Ltd.	None	None	None	

Title	Nationality or place of registration	Name	Age and Gender	Date elected	Term	Date first elected	Shareholding when elected		Current Shareholding		Shareholdings of spouse and underage children		Shares held by proxy		Main career (academic) achievements	Concurrent position in the Company and in other companies	Other Managers, Directors, or Supervisors who are Spouses or Relatives within the Second Degree of Kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Independent director	Taiwan	FU-LING YEH	Female 41-50 years old	2022.06.23	3 years	2013.06.28	0	0	0	0	0	0	0	0	University of Pittsburgh MBA Master of Urban Planning, University of Pennsylvania Manager of Investor Relations/Acting Spokesperson of CoAdna Holdings, Inc. Special Assistant of Chairman Office, Zenitron Corporation ASUS Computer Business Manager Representative: DK Media Group Corporation representative Corporate Chairman of CHOICE BIOTECH INC. Vice President of Industrial Technology Investment Corporation Director of Song-Lin Investment Co., Ltd.	Independent Director of Zenitron Corporation	None	None	None	

Note 1: 1.Chairman of Long-Zi Industrial Co., Ltd.2.Chairman of Shun-Cheng Investment Co., Ltd.3.Chairman of Shun-Zhong Investment Co., Ltd.4.Chairman of TAINERGY TECH Co., Ltd.5.Chairman and President of TAINERGY TECH (Kunshan) Co., Ltd.6.Chairman of Kenmec Mecha-Tronics (Suzhou) Co., Ltd.7.Chairman of Kenmec TECH (Suzhou) Co., Ltd.8.Chairman of Kenmec International Holding (BVI) Co., Ltd.9.Chairman of Kenmec Communication Holding (BVI) Co., Ltd.10.Chairman of TAINERGY TECH Holding (Samoa) Co., Ltd.11.Director of Kenmec Vietnam Company Limited 12.Chairman of Shun-Zhong Assets Management Co., Ltd. 13.Chairman of Ming-Hsuan Development Co., Ltd. 14.Chairman of Cheng-Feng Assets Management Co., Ltd. 15.Chairman and President of Jin-Yun TECH Inc. 16.Chairman of Wei Hsin Investment Co., Ltd. 17.Chairman of Kenmec Automation Engineering (Kunshan) Co., Ltd. 18.Chairman and President of Kunshan Sencis Electronic Materials Co., Ltd. 19.Chairman of Ming-Hsuan Investment Co., Ltd. 20.Chairman and President of Suzhou Kenmec Property Development Ltd. 21.Director of Taisic Materials Co.22.Director of Vietnergy Company Limited

Note:The Chairman and the President (or equivalent highest executive officer) of the Company are not the same person, and they are not spouses or first-degree relatives.

(2) Major Shareholders of Institutional Shareholders

As of March 31, 2025

Institutional Shareholder Name (Note 1)	Major Shareholders	Shareholding Ratio (%)
Kenmec Mechanical Engineering Co., Ltd.	Wei Hsin Investment Co., Ltd.	7.82
	Hsieh Ming-Chih	5.51
	Zhao Lin Investment Co., Ltd.	5.18
	Lin Chien-Hung	3.91
	Bai Zhou-Yao	1.77
	Hsieh Ming-Kai	0.85
	Chen Qing-Tao	0.63
	Tsai Yung-Mu	0.55
	Cathay ESG ETF (Custodian: Citibank)	0.48
	Cathay Global AI ETF (Custodian: Yuanta)	0.48

Note 1: If the director or supervisor is the representative of an institutional shareholder, please indicate the name of that institutional shareholder.

Note 2: Please indicate the name(s) and shareholding ratio(s) of the major shareholder(s) of the institutional shareholder (limited to the top ten by shareholding). If any major shareholder is also an institutional entity, please refer to the table below.

(3) Major Shareholders of the Institutional Shareholders Above

Institutional Shareholder: Wei Hsin Investment Co., Ltd.

Shareholder Name	Shareholding Ratio (%)
Hsieh Ching-Fu	47.88
Lin Chien-Hung	40.00
Hsieh Ming-Kai	10.00
Hsieh Ming-Chih	2.12

Institutional Shareholder: Zhao Lin Investment Co., Ltd.

Shareholder Name	Shareholding Ratio (%)
Bai Zhou-Yao	46.15

Lin Chien-Hung	53.85
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Note 1: If the major shareholder listed above is a legal entity, please provide the name of that entity.

Note 2: Please provide the names and shareholding ratios of the major shareholders of the legal entity (limited to the top ten by shareholding).

Note 3: If the institutional shareholder is not a corporate entity, the disclosed shareholder names and shareholding ratios refer to the contributors or donors and their respective contribution or donation ratios.

(4) Disclosure of Directors' Professional Qualifications and Independence of Independent Directors

The Company promotes and respects board diversity policies to enhance corporate governance and facilitate the sound development of the board's composition and structure. It believes that the implementation of diversity principles contributes to the overall performance of the Company.

All board member appointments are based on the principle of hiring the most qualified individuals. Directors possess diverse and complementary capabilities across various industries, including both basic characteristics (e.g., age, gender, nationality) and professional experience or domain expertise (e.g., machinery, electronics, engineering, hospitality, accounting, and biotechnology). They also possess key competencies such as business judgment, corporate management, leadership, and crisis management.

1. Disclosure of Directors' Professional Qualifications and Independence of Independent Directors:

Qualifications		Professional competence	State of independence (Note)	Number of public companies in which concurrently serves as an independent director
Name and Position:				
Director	Representative of KENMEC MECHANICAL ENGINEERING CO., LTD.: CHING-FU HSIEH	1. For the professional qualifications and experience of the directors, please refer to the "Section II. (1) Introduction of Board Members" in this annual report. 2. None of the directors have any of the circumstances listed in Article 30 of the Company Law. (Note 1)	Not applicable.	0
Director	Representative of KENMEC MECHANICAL ENGINEERING CO., LTD.: LI-CHUAN SHEN			0
Director	MING-CHIH HSIEH			0

Name and Position:		Qualifications	Professional competence	State of independence (Note)	Number of public companies in which concurrently serves as an independent director
Director	CHIEN-LIANG CHEN				0
Independent director	YAO-JUNG KAN			All independent directors meet the following criteria: 1. Comply with the provisions of Article 14-2 of the Securities and Exchange Act and the "Regulations Governing the Appointment of Independent Directors and Matters to be Complied with by Public Companies" issued by the Financial Supervisory Commission. (Note 2) 2. Neither the director personally, nor through others, their spouse, or minor children, hold any shares of the company. 3. Have not received any remuneration from the company or its affiliated enterprises for providing business, legal, financial, accounting, or other services in the past two years.	0
Independent director	CHIA-HSIANG WANG				1
Independent director	FU-LING YEH				1

Note 1: Conditions Under Which a Person Shall Not Serve as a Manager (and Shall Be Dismissed If Already Appointed)

A person who meets any of the following conditions shall not serve as a manager. If already appointed, the person shall be dismissed:

1. Has been convicted of a crime under the Organized Crime Prevention Act, and the sentence has not been served, completed, or less than five years have passed since its completion, suspension, or pardon.
2. Has been convicted of fraud, breach of trust, or embezzlement and sentenced to imprisonment of one year or more, and the sentence has not been served, completed, or less than two years have passed since its completion, suspension, or pardon.
3. Has been convicted under the Anti-Corruption Act, and the sentence has not been served, completed, or less than two years have passed since its completion, suspension, or pardon.
4. Has been declared bankrupt or subject to liquidation proceedings by a court and has not yet had civil rights restored.
5. Has been blacklisted for dishonored checks and the period of restriction has not yet expired.
6. Is a person with no legal capacity or with limited legal capacity.
7. Has been placed under guardianship and such declaration has not yet been revoked.

Note 2: Independence Requirements for Independent Directors

Not a government agency, legal person, or the representative of either, as defined under Article 27 of the Company Act.

Does not concurrently serve as an independent director in more than three public companies.

Has not, within the two years prior to appointment and during the term of service, met any of the following conditions:

1. Served as an employee of the company or any of its affiliates.
2. Served as a director or supervisor of the company or any of its affiliates.
3. The individual, their spouse, minor children, or persons holding shares in their name, hold 1% or more of the total outstanding shares of the company, or rank among the top ten individual shareholders.
4. Is the spouse, relative within the second degree of kinship, or direct relative within the third degree of anyone mentioned in (1), (2), or (3)

5. Served as a director, supervisor, or employee of a corporate shareholder that holds more than 5% of the company's outstanding shares, ranks among the top five shareholders, or appoints directors pursuant to Article 27 of the Company Act.
6. Served as a director, supervisor, or employee of another company whose board seats or shares with voting rights are controlled by the same person who controls a majority of the company's board seats or voting shares.
7. Served as a director, supervisor, or employee of another company or institution whose chairman or president is the same person as, or the spouse of, the chairman or president of the company.
8. Served as a director, supervisor, manager, or a shareholder holding more than 5% of the shares in any company or institution that has financial or business dealings with the company.
9. Is a professional (including sole proprietor, partner, business owner, director, supervisor, manager, or spouse thereof) who has provided auditing, commercial, legal, financial, or accounting services to the company or its affiliates and received cumulative remuneration exceeding NT\$500,000 within the past two years.

This does not apply to individuals serving as members of the Company's Remuneration Committee.

2. Diversity and Independence of the Board:

Name	Qualifications	Basic composition						Professional competence									
		Nationality	Gender	With employee status	Age			Years of service of independent	Years of Over 9 years	Industrial experience			Professional competence				
					40-50 years old	51-60 years old	61-70 years old			71-80 years old	6-9 years	Business and supply		Mechanical and engineering	Financial affairs and finance	Hotel management	Biological Technology
Director	Representative of KENMEC MECHANICAL ENGINEERING CO., LTD.: CHING-FU HSIEH	Taiwan	Male	√	-	-	-	√	-	-	√	√	-	-	-	√	
Director	Representative of KENMEC MECHANICAL ENGINEERING CO., LTD.: LI-CHUAN SHEN		Female	-	-	√	-	-	-	-	√	√	√	-	-	√	√
Director	MING-CHIH HSIEH		Male	-	√	-	-	-	-	-	√	√	-	-	-	-	√
Director	CHIEN-LIANG CHEN		Male	-	√	-	-	-	-	-	√	-	√	-	-	-	√
Independent director	YAO-JUNG KAN		Male	-	-	√	-	-	-	√	√	-	√	√	-	-	√

Name	Qualifications	Basic composition				Professional competence																				
		Nationality	Gender	With employee status	Age	Years of service of independent	Industrial experience			Professional competence																
							Business and supply	Mechanical and engineering	Financial affairs and finance	Hotel management	Biological Technology	Financial affairs	Risk management													
Independent director	CHIA-HSIANG WANG	Nationality	Male	-	40-50 years old	V	V	-	V	-	-	V	V													
Independent director	FU-LING YEH				51-60 years old									-	-	-	-	-	-	-	-	-	-	-		
					61-70 years old									-	-	-	-	-	-	-	-	-	-	-	-	
					71-80 years old									-	-	-	-	-	-	-	-	-	-	-	-	-
					Over 9 years									V	V	V	V	V	V	V	V	V	V	V	V	
					6-9 years	-	-	-	-	-	-	-	-													

(1) Board Composition

The Company adopts the candidate nomination system in accordance with Article 192-1 of the Company Act for the election of directors, with the shareholders' meeting electing directors from the list of nominated candidates. The Board holds meetings at least once every quarter and may convene interim meetings in case of emergencies.

According to the Company's Corporate Governance Best Practice Principles, the composition of the Board of Directors shall consider diversity in addition to the required professional knowledge and skills, incorporating varied industry backgrounds.

The average tenure of board members is 10.6 years.

All board members are nationals of the Republic of China (Taiwan).

The composition includes 3 independent directors, accounting for 42.86% of the Board.

1 director holds an employee status within the Company (14.29%).

Age distribution:

4 directors are aged 41–50

2 directors are aged 51–60

1 director is aged 71–80

In addition to professional background, the Company values gender equality on the Board.

The current Board includes 2 female directors (both independent directors), representing 28.57%.

The Company will continue its efforts to increase female representation on the Board.

(2) Board Competencies

All members of the Board collectively possess the following core competencies:

Operational judgment

Accounting and financial analysis

Business management

Crisis management

Industry knowledge

Understanding of international markets

Leadership

Decision-making ability

In particular:

Chairman Hsieh Ching-Fu, Director Shen Li-Chuan, Director Hsieh Ming-Chih, and Independent Director Kuan Yao-Rong have relevant experience in the mechanical and engineering fields.

Director Shen Li-Chuan, Director Lin Chien-Liang, Independent Director Kuan Yao-Rong, and Independent Director Wang Chia-Hsiang specialize in finance and financial management.

Independent Director Kuan Yao-Rong also has a background in hotel management.

Independent Director Yeh Fu-Ling formerly served as chairperson of a biotechnology company.

Independent Director Wang Chia-Hsiang is a certified public accountant and has practical experience in accounting, financial management, and academic instruction.

(3) Board Diversity

To strengthen corporate governance and promote sound board composition, the Company adopted the Corporate Governance Best Practice Principles in 2023 (Year 112 of the ROC calendar). Article 24, Paragraph 3 outlines the Board Diversity Policy, stating:

The composition of the Board should consider diversity.

Directors who also serve as managerial officers shall not comprise more than one-third of board seats.

The Board should formulate appropriate diversity policies based on the Company's operations, business model, and development needs.

These policies should encompass, but are not limited to, the following two major aspects:

A. Basic Attributes and Values: Gender, age, nationality, and cultural background.

It is recommended that female directors comprise at least one-third of board seats.

B. Professional Knowledge and Skills: Professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional capabilities, and industry experience.

(4) Independence

The current Board is composed of 7 members, including 3 independent directors, representing 42.86% of the Board.

All independent directors meet the qualification requirements of the Securities and Futures Bureau of the Financial Supervisory Commission (Taiwan).

There are no circumstances among the directors or independent directors that violate the provisions of Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.

The independence of the Board is fully compliant. For detailed qualifications and independence, please refer to [page](#)

[___](#) of this annual report:

"1. Disclosure of Directors' Professional Qualifications and Independence of Independent Directors."

(5) President, Vice Presidents, Assistants, and Heads of Departments / Branches

As of March 31, 2025 ; Unit: shares, %

Title	Nationality	Name	Gender	Date of appointment	Shareholding		Shareholdings of spouse and underage children		Shares held by proxy		Academic and Career Achievements	Concurrent positions in other companies	Spouse or second-degree relative acting as managers		
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
Chairman of Strategy	Taiwan	CHING-FU HSIEH	Male	2008.01.01	0	0	0	0	0	0	EMBA, National Chengchi University	Note 1	Special Assistant / Spokesperson	MING-KAI HSIEH	Father–Son
President	Taiwan	YI-KUANG CHEN	Male	2023.05.03	0	0	0	0	0	0	Master of Social Welfare, National Chung Cheng University Manager of Tainergy Tech. Co., Ltd.	Responsible Person, Vietnergy Co., Ltd. Responsible Person, Kenmec Vietnam Co., Ltd.	None	None	None

Special Assistant / Spokesperson	Taiwan	MING-KAI HSIEH	Male	2023.05.03	11,588	0.01	2,000	0	0	0	EMBA in Business Administration, National Chengchi University Master's in Economics, Nankai University (Mainland China) Director, Tainergy Tech Co., Ltd. President, Tainergy Tech Co., Ltd.	Note 2	None	None	Father-Son
Accounting supervisor	Taiwan	HSIU-CHEN YU	Female	2011.10.18	29,087	0.01	0	0	0	0	Major or accounting, Hsing Wu University Section manager of accounting department, KENMEC MECHANICAL ENGINEERING CO., LTD.	Supervisor of Star Solar New Energy Co., Ltd.	None	None	None

Note 1:1.Chairman, Long-Zi Industrial Co., Ltd. 2.Chairman, Shun-Sheng Investment Co., Ltd. 3.Chairman, Shun-Jhong Investment Co., Ltd. 4.Chairman, Kenmec Mechanical Engineering Co., Ltd. 5.Chairman and President, TAINERGY TECH (Kunshan) Co., Ltd. 6.Chairman, Kenmec Electromechanical (Suzhou) Co., Ltd. 7.Chairman, Kenmec Tech (Suzhou) Co., Ltd. 8.Chairman, Kenmec International Holdings (BVI) Co., Ltd. 9.Chairman, Kenmec Communications Holdings (BVI) Co., Ltd. 10.Chairman, TAINERGY TECH Holdings (Samoa) Co., Ltd. 11.Responsible Person, Kenmec Vietnam Co., Ltd. 12.Chairman, Shun-Jhong Asset Management Co., Ltd. 13.Chairman, Ming-Hsuan Development Co., Ltd. 14.Chairman, Cheng-Feng Asset Management Co., Ltd. 15.Chairman and President, Jin-Yun Tech Co., Ltd. 16.Chairman, Wei Hsin Investment Co., Ltd. 17.Chairman, Kenmec Automation Engineering (Kunshan) Co., Ltd. 18.Chairman and President, Kunshan Kun-Fu Electronic Materials Co., Ltd. 19.Chairman, Ming-Hsuan Investment Co., Ltd. 20.Chairman and President, Suzhou Guang-Yi Property Development Co., Ltd. 21.Corporate Director Representative, Sheng-Xin Materials Tech Co., Ltd. 22.Responsible Person, Vietnergy Co., Ltd.

Note 2:1.Corporate Director Representative, TAINERGY TECH (Kunshan) Co., Ltd. 2.Director, Jin-Yun Tech Co., Ltd. 3.Chief Executive Officer, Automation Business Division, Kenmec Mechanical Engineering Co., Ltd. 4.Corporate Director Representative, Chang-Hong New Energy Co., Ltd. 5.Supervisor, TKT Corporation 6.Member of the Remuneration Committee, All-New Optoelectronics Technology Co., Ltd. 7.Chairman, Sheng-Xin Materials Tech Co., Ltd. 8.Chairman, Jui-Hsuan Investment Co., Ltd. 9.Chairman, Chun-Feng Prosperity Co., Ltd. 10.Chairman, Hua-Hsia Construction Co., Ltd. 11.Chairman, Everbright Optics Co., Ltd. 12.Corporate Director Representative, Kenmec Mechanical Engineering Co., Ltd. 13.Independent Director, Audit Committee Member, and Remuneration Committee Member, Fukuyama Holdings Co., Ltd. 14.Chairman, Ting-Kuang Technology Co., Ltd. 15.Corporate Director Representative, You-Chao Energy Materials Co., Ltd.

Supplementary Note:There is no overlap or direct relationship such as spousal or first-degree kinship between the Company's Chairman and President (or equivalent highest-ranking executive).

2.Recent annual remuneration for directors, supervisors, general manager, and deputy general manager, and others.

(1) Remuneration to general directors and independent directors

December 31, 2024; Unit: NTD thousand

Title	Name	Remuneration to directors						Sum of A, B, C, and D as Percentage of Net Income (Note 10)		Remuneration to Employees Holding Concurrent Positions						Sum of A, B, C, D, E, F and G as Percentage of Net Income (Note 10)		Remuneration from parent company or invested businesses other than subsidiaries (Note 11)								
		Remuneration (A) (Note 2)		Retirement pension (B)		Remuneration from earnings distribution (C) (Note 3)				Business execution expenses (D) (Note 4)		Salaries, bonuses, special allowances, etc. (E) (Note 5)		Retirement pension (F)					Remuneration to employees (G) (Note 6)							
		The Company	All the companies included in the financial reports (Note 7)	The Company	All the companies included in the financial reports (Note 7)	The Company	All the companies included in the financial reports (Note 7)	The Company	All the companies included in the financial reports (Note 7)	The Company	All the companies included in the financial reports (Note 7)	The Company	All the companies included in the financial reports (Note 7)	The Company		All the companies included in the financial reports (Note 7)			The Company	All the companies included in the financial reports (Note 7)						
Chairman	Representative of KENMEC MECHANICAL ENGINEERING CO., LTD.: CHING-FU HSIEH	600	600	-	-	-	-	25	25	625	625	(0.1340)	(0.1340)	4,358	4,358	-	-	-	-	-	-	4,983	4,983	(1.0681)	(1.0681)	12,763
Director	Representative of KENMEC MECHANICAL ENGINEERING CO., LTD.: LI-CHUAN SHEN	360	360	-	-	-	-	30	30	390	390	(0.0836)	(0.0836)	-	-	-	-	-	-	-	-	390	390	(0.0836)	(0.0836)	5,074

Title	Name	Remuneration to directors						Sum of A, B, C, and D as Percentage of Net Income (Note 10)		Remuneration to Employees Holding Concurrent Positions						Sum of A, B, C, D, E, F and G as Percentage of Net Income (Note 10)		Remuneration from parent company or invested businesses other than subsidiaries (Note 11)		
		Remuneration (A) (Note 2)		Retirement pension (B)		Remuneration from earnings distribution (C) (Note 3)				Business execution expenses (D) (Note 4)		Salaries, bonuses, special allowances, etc. (E) (Note 5)		Retirement pension (F)					Remuneration to employees (G) (Note 6)	
		The Company	All the companies included in the financial reports (Note 7)	The Company	All the companies included in the financial reports (Note 7)	The Company	All the companies included in the financial reports (Note 7)	The Company	All the companies included in the financial reports (Note 7)	The Company	All the companies included in the financial reports (Note 7)	The Company	All the companies included in the financial reports (Note 7)	The Company		All the companies included in the financial reports (Note 7)			The Company	All the companies included in the financial reports (Note 7)
Director	MING-CHIH HSEH	360	360	-	-	-	-	11	11	371	371	-	-	-	-	-	-	371	371	2,390
Director	CHIEN-LIANG CHEN	360	360	-	-	-	-	28	28	388	388	-	-	-	-	-	-	388	388	-
Independent director	YAO-JUNG KAN	600	600	-	-	-	-	30	30	630	630	-	-	-	-	-	-	630	630	-
Independent director	CHIA-HSIANG WANG	600	600	-	-	-	-	26	26	626	626	-	-	-	-	-	-	626	626	-
Independent director	FU-LING YEH	600	600	-	-	-	-	30	30	630	630	-	-	-	-	-	-	630	630	-

1. Please provide in detail the policy, system, standards and structure of remuneration to independent directors, and describe the relevance to the amount of remuneration according to the responsibilities, risks, time invested and other factors: The Company's remuneration to independent directors includes reimbursement for carrying out work duties, travel allowances and remuneration distributed to directors. The Company must pay a fixed

Title	Name	Remuneration to directors						Sum of A, B, C, and D as Percentage of Net Income (Note 10)	Remuneration to Employees Holding Concurrent Positions						Sum of A, B, C, D, E, F and G as Percentage of Net Income (Note 10)	Remuneration from parent company or invested businesses other than subsidiaries (Note 11)				
		Remuneration (A) (Note 2)		Retirement pension (B)		Remuneration from earnings distribution (C) (Note 3)			Business execution expenses (D) (Note 4)		Salaries, bonuses, special allowances, etc. (E) (Note 5)		Retirement pension (F)				Remuneration to employees (G) (Note 6)			
		The Company	All the companies included in the financial reports (Note 7)	The Company	All the companies included in the financial reports (Note 7)	The Company	All the companies included in the financial reports (Note 7)		The Company	All the companies included in the financial reports (Note 7)	The Company	All the companies included in the financial reports (Note 7)	The Company	All the companies included in the financial reports (Note 7)			The Company		All the companies included in the financial reports (Note 7)	
Amount of cash bonus	Amount of share bonus							Amount of cash bonus							Amount of share bonus					
<p>amount regardless of earnings or losses in accordance with the Charter. The remuneration is handled according to the Company's "Regulations for remuneration to directors." The remuneration distribution of the Company's annual profit is determined by reference to the number of times directors attend board meetings or his/her contribution to the Company (including, but not limited to, the number of the Company's shares held and providing endorsement/guarantee for the Company) during his/her term. Therefore, the policy and determination of remuneration to directors is positively linked to operating performance and risk exposure. The Company has purchased liability insurance for directors and supervisors to minimize the risk of them being charged for their due execution of duties by shareholders or other related parties.</p> <p>2. In addition to what is disclosed in the above table, the remuneration to the Company's directors for providing services (such as assuming a non-employee advising post) for all the companies included in the financial report in the most recent year: None.</p>																				

Note 1: The names of directors must be listed individually. For institutional shareholders, both the name of the institutional entity and its representative should be listed separately. Non-independent and independent directors must be clearly distinguished.

If a director concurrently serves as President or Vice President, such individual shall be included in both this and the following table.

Note 2: This refers to the director's remuneration for the most recent fiscal year, including salary, position allowance, severance pay, bonuses, incentives, and other rewards.

Note 3: This refers to the amount of directors' remuneration approved for distribution by the Board of Directors in the most recent fiscal year.

Note 4: This refers to expenses related to the execution of business duties by directors in the most recent fiscal year, including transportation, special allowances, various subsidies, housing, company vehicles, or other in-kind benefits.

Where assets such as housing, vehicles, or personal-use resources are provided, the nature and cost of such assets, actual or fair-market-value rental, fuel, and other compensations should be disclosed.

If a company-provided driver is assigned, the related compensation to the driver should be disclosed as a footnote but not counted as director remuneration.

Note 5: This refers to all forms of compensation received by directors who concurrently serve as employees (including as President, Vice Presidents, other managers, and employees) in the most recent fiscal year—covering salary, position allowance, severance pay, bonuses, incentives, transportation, special allowances, housing, vehicles, or other in-kind benefits.

Where personal-use assets are provided, disclosure shall include the nature and cost of the asset, actual or fair rental, fuel, and related expenses.

If a driver is assigned, the driver's salary should be disclosed as a note, but not included in the remuneration total.

Additionally, expenses recognized under IFRS 2 "Share-Based Payments" such as employee stock options, restricted shares, or cash capital increases subscribed by employees, must be included as remuneration.

Note 6: If directors who are also employees (as defined above) have received employee compensation (cash or stock) in the most recent fiscal year, the total amount approved by the Board must be disclosed.

If the amount cannot be estimated, it should be calculated based on the actual distribution ratio from the previous year.

Names of the participating managers and the amount distributed to each shall be disclosed separately (see page 14).

Note 7: Total remuneration paid to the Company's directors by all consolidated entities (including the parent company) must be disclosed.

Note 8: For each director, the total amount of remuneration paid by the Company shall be disclosed in the corresponding remuneration band along with the director's name.

Note 9: For each director, the total amount of remuneration received from all consolidated entities (including the parent company) shall be disclosed under the appropriate remuneration band with the director's name.

Note 10: Net income after tax refers to the net income reported in the individual or standalone financial statements for the most recent fiscal year.

Note 11: a. This column must clearly disclose any remuneration received by the Company's directors from investee enterprises other than subsidiaries, or from the parent company. If none, please indicate "None."

b. If any director receives such remuneration, the amount should be incorporated into Column I of the remuneration band summary and the column title should be renamed "Parent Company and

All Investee Enterprises.”

c. “Remuneration” here includes compensation for serving as a director, supervisor, or manager at any investee enterprise (other than a subsidiary) or the parent company. It includes employee compensation, director and supervisor remuneration, and business execution expenses.

Note: The contents disclosed in this table are for **information purposes only** and do not correspond to income definitions under the Income Tax Act, nor are they used for tax calculations.

(2) Remuneration to the President and Vice President

December 31, 2024; Unit: NTD thousand

Title	Name (Note 1)	Salary (A) (Note 2)		Retirement pension (B)		Bonuses, special allowances, etc. (C) (Note 3)		Employee remuneration amount (D) (Note 4)				Sum of A, B, C, and D as Percentage of Net Income (Note 8)		Remuneration from parent company or invested businesses other than subsidiaries (Note 9)
		The Company	All the companies included in the financial reports	The Company	All the companies included in the financial reports	The Company	All the companies included in the financial reports	The Company		All the companies included in the financial reports (Note 5)		The Company	All the companies included in the financial reports (Note 5)	
								Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares			
Chairman of Strategy	CHING- FU HSIEH	3,960	3,960	-	-	398	398	-	-	-	-	4,358 (0.9341)	4,358 (0.9341)	12,763
President	YI- KUANG CHEN	2,234	3,187	108	108	409	409	-	-	-	-	2,751 (0.5897)	3,704 (0.7940)	-
Special Assistant / Spokespe rson	MING- KAI HSIEH	1,680	2,580	103	103	181	445	-	-	-	-	1,964 (0.4210)	3,128 (0.6705)	3,458

※ Regardless of title, all positions equivalent to President or Vice President (e.g., CEO, Managing Director, Director General, etc.) shall be disclosed.

Note 1: The names of the President and Vice Presidents shall be listed separately. If a director also concurrently serves as President or Vice President, their information shall be disclosed in both this table and Table (1).

Note 2: This column refers to the salary, position allowance, and severance pay received by the President and Vice Presidents in the most recent fiscal year.

Note 3: This column refers to all other forms of compensation received in the most recent fiscal year, including bonuses, incentives, transportation allowance, special allowances, housing, use of company vehicle, and other in-kind benefits.

Where housing, vehicles, or other personal-use assets are provided, disclosure shall include the nature and cost of the asset, the actual or fair market value of rent, fuel costs, and other compensations.

If a driver is assigned, please add a footnote to disclose the compensation paid to the driver, which shall not be included in the total remuneration amount.

Note 4: This column refers to the amount of employee compensation (stock or cash) proposed to be distributed to the President and Vice Presidents under the earnings distribution plan approved by the Board prior to the shareholders' meeting.

If the exact amount cannot be estimated, the proposed distribution for the current year shall be calculated based on the same ratio from the previous year.

The names of the managers receiving employee compensation and the amounts allocated to them shall be listed separately (see page 14).

Net income after tax refers to the after-tax net income of the most recent fiscal year.

Note 5: Total remuneration received by the President and Vice Presidents from all companies within the consolidated financial report (including the Company) shall be disclosed.

Note 6: The total amount of remuneration paid by the Company to each President and Vice President shall be disclosed in the corresponding remuneration band, along with the name of the individual.

Note 7: The total remuneration paid to each President and Vice President by all consolidated entities (including the Company) shall be disclosed in the corresponding remuneration band, along with the individual's name.

Note 8: Net income after tax refers to the after-tax net income of the most recent fiscal year.

Note 9:

a. This column shall disclose any remuneration received by the President and Vice Presidents from investee companies other than subsidiaries. If none, please indicate "None."

b. If any remuneration is received from such entities, the amount shall be incorporated into Column E of the remuneration band summary, and the column name shall be amended to "Parent Company and All Investee Enterprises."

c. "Remuneration" includes all compensation, execution fees, and payments received from serving as a director, supervisor, or manager in such entities (excluding subsidiaries). This includes employee compensation, director and supervisor fees, and other relevant execution expenses.

※ The remuneration disclosed in this table differs from the concept of taxable income under the Income Tax Act. It is intended solely for information disclosure and not for taxation purposes.

(3) Top 5 executives with the highest remuneration:

December 31, 2024; Unit: NTD thousand

Title	Name	Salary (A) (Note 2)		Retirement pension (B)		Bonuses, special allowances, etc. (C) (Note 3)		Employee remuneration amount (D) (Note 4)				Sum of A, B, C, and D as Percentage of Net Income (Note 6)		Remuneration from invested businesses other than subsidiaries or the parent company (Note 7)
		The Company	All the companies included in the financial reports (Note 5)	The Company	All the companies included in the financial reports (Note 5)	The Company	All the companies included in the financial reports (Note 5)	The Company		All the companies included in the financial reports (Note 5)		The Company	All the companies included in the financial reports	
								Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares			
Chairman of Strategy	CHING-FU HSIEH	3,960	3,960	-	-	398	398	-	-	-	-	4,358 (0.9341)	4,358 (0.9341)	12,763
Assistant vice president	YI-KUANG CHEN (NOTE2)	2,234	3,187	108	108	409	409	-	-	-	-	2,751 (0.5897)	3,704 (0.7940)	-
Spokesperson	MING-KAI HSIEH (NOTE1)	1,680	2,580	103	103	181	445	-	-	-	-	1,964 (0.4210)	3,128 (0.6705)	3,458
Accounting supervisor	HSIU-CHEN YU	1,314	1,314	94	94	214	214	-	-	-	-	1,622 (0.3477)	1,622 (0.3477)	-

Note 1: The "executives" in the so-called "top 5 executives with the highest remuneration" refer to managers of the Company. The criteria for the determination of managers are in accordance with the scope of "managers" as stipulated in the Order Letter Tai-Cai-Zheng-(3)-Zi 0920001301 dated March 27, 2003, issued by the former Securities and Futures Commission, Ministry of Finance. The determination for the calculation of the "top 5 executives with the highest remuneration" is based on the total amount of salaries, pensions, bonuses and special allowances received by the managers from all companies included in the consolidated financial reports, as well as the amount of remuneration to employees (the total of A+B+C+D), and then ranked by the highest paid executives). If a director is also a supervisor listed above, this table and the table above shall be filled in.

Note 2: Refers to salaries, allowances, and severance pay made to the top 5 executives with the highest remuneration in the last year.

Note 3: Refers to other remuneration such as bonuses, incentives, travel allowances, special allowances, subsidies, accommodation, corporate vehicles or other in-kind benefits paid to the top 5 executives. Where housing, cars, vehicles, or personal allowances were granted, the nature and cost of assets, the rental rates (calculated based on actual or fair value), cost of petrol and other subsidies are also disclosed. Where personal drivers were allocated, please make a footnote disclosure explaining the amount of salaries made to drivers, but do not count them as part of the remuneration paid to the above benefits. Part of the salary expense was recognized according to IFRS2 – "Share-based Payment". Amounts including employee stock options, restricted employee shares and subscription to cash issues are treated as remuneration.

Note 4: Represents the amount of employee remuneration provided for the top five executives with the highest remuneration (in cash or in shares), which the Board of Directors has proposed as part of the most recent earnings appropriation (where the amount could not be estimated, a calculation was made based on last year's payout ratio). Table (IV) Names of the managers receiving employee remuneration and the distribution thereof.

Note 5: The disclosure shall include all companies covered by the consolidated financial statements (including the Company), and represents the total amount of remuneration paid by all companies above to the Company's top 5 executives with the highest remuneration.

Note 6: Net income after tax refers to the net income after tax of the most recent year in the separate or individual financial reports.

Note 7:

- This field represents all forms of remuneration that the company's top 5 executives with the highest remuneration received from invested businesses other than subsidiaries or the parent company (if none, please fill in "none").
- Remuneration refers to any returns, remuneration (including remuneration received as an employee, director and supervisor or manager) and professional service fees which the director received for serving as the top five highest paid executives in invested businesses or the parent company other than subsidiaries.

* The basis of remuneration disclosed above is different according to the basis of the Income Tax Act; hence, the above table has been prepared solely for information disclosure, and not for tax purposes.

(4) Names of the managers receiving employee remuneration and the distribution thereof

Unit: NTD thousand

	Job title (Note 1)	Name (Note 1)	Amount paid in shares	Amount paid in cash	Total	Ratio of total amount to profit after tax (%)
Managers	Chairman of Strategy	CHING-FU HSIEH	Note			
	Assistant vice president	YI-KUANG CHEN (NOTE2)				
	Spokesperson	MING-KAI HSIEH (NOTE1)				
	Accounting supervisor	HSIU-CHEN YU				

Note:As of the end of FY2024 (113th fiscal year), the Company had an accumulated deficit. Therefore, no employee bonus distribution is proposed.

Note 1:The names and titles of the recipients shall be disclosed individually. However, a summarized disclosure of the distribution status may be adopted.

Note 2:This refers to the proposed employee compensation (in the form of stock or cash) for managers, approved by the Board prior to the shareholders' meeting in the most recent fiscal year.

If the actual amount cannot be estimated, it shall be calculated based on the distribution ratio from the previous year.

Net income after tax refers to the after-tax net profit of the most recent fiscal year.

Note 3:The scope of "managers" shall be based on the definition provided in the Ministry of Finance Ruling No. 0920001301, dated March 27, 2003. It includes the following:

- 1.President and equivalent level personnel
- 2.Vice Presidents and equivalent level personnel
- 3.Assistant Vice Presidents and equivalent level personnel
- 4.Head of the Finance Department
- 5.Head of the Accounting Department
- 6.Other personnel authorized to manage company affairs and with signing authority

Note 4:If any directors, President, or Vice Presidents receive employee compensation (in stock or cash), such compensation must be disclosed in this table in addition to their remuneration reported in the directors' and officers' compensation tables.

- (5) Analysis of remuneration paid to Directors, Supervisors, Presidents and Vice Presidents by the Company and all consolidated entities in the recent two years as a percentage of net income in the parent company only or individual financial statements and explanation on remuneration policy, standards and composition, procedures and the correlation with operation performance and future risks:

Title	Remuneration as a percentage of net income after tax			
	2024		2023	
	The Company	All the companies included in the financial statements	The Company	All the companies included in the financial statements
Director	(0.78%)	(0.78%)	(12.78%)	(12.78%)
Names of the President and Vice President	(1.94%)	(2.4%)	(37.56%)	(43.02%)

Remuneration Policy for Directors and Managers In accordance with Article 27 of the Company's Articles of Incorporation, the total remuneration allocated to the Company's directors and managers may not exceed 1% to 3% of the Company's annual earnings.

To regularly evaluate and ensure the reasonableness of directors' and managers' compensation, the Company conducts performance reviews based on the "Board of Directors Self-Evaluation Measures" for directors and the Company's performance appraisal system applicable to managers and employees.

The level of remuneration for each director and manager is determined based on the degree of participation in Company operations and individual performance. Evaluation criteria include (but are not limited to):

- Any ethical violations or misconduct that negatively impact the Company's image or reputation
- Internal control deficiencies
- Fraud or corruption by personnel
- achievement of performance targets
- profitability
- operational efficiency
- overall contribution to the Company

The Company awards reasonable remuneration based on a comprehensive assessment of the above factors and reviews the compensation system in a timely manner, taking into account actual business conditions and relevant laws and regulations.

The Remuneration Committee and the Board of Directors conduct an annual review and approval process to ensure the appropriateness and fairness of directors' and managers' remuneration.

The Company is committed to achieving a balance between sustainable development and sound risk management through a rational compensation structure.

3. Corporate governance implementation

(1) Functionality of the Board of Directors:

1. Information on the functionality of the Board of Directors

The board of director held 4 meetings (A) during 2024; the attendance of directors/supervisors is summarized as follows:

Title	Name (Note 1)	Actual Attendance B	Attendance by proxy	Actual Attendance Rate (%) [B/A]	Remarks
Chairman	Representative of KENMEC MECHANICAL ENGINEERING CO., LTD. – CHING-FU HSIEH		1	75%	
Director	Representative of KENMEC MECHANICAL ENGINEERING CO., LTD. – LI-CHUAN SHEN		0	100%	
Director	MING-CHIH HSIEH			75%	
Director	CHIEN-LIANG CHEN		0	100%	
Independent director	YAO-JUNG KAN		0	100%	
Independent director	CHIA-HSIANG WANG			100%	
Independent director	FU-LING YEH		0	100%	

Other matters to be stated:

- Matters listed in Article 14-3 of the Securities and Exchange Act and for board of directors' meetings, state the date, session, the discussed agenda. Any matter about which an independent director expresses an objection or reservation that has been included in records or stated in writing, and how the company has responded to such opinions: None.
- Directors' avoidance of the proposals involving any conflict of interest, information including the director's name, contents of the proposals, causes of recusal, and participation in the voting process should be stated: None.
- Listed and over-the-counter companies should disclose information about the board of directors' self-assessment (or peer evaluation), including the evaluation cycle and period, evaluation scope, methods, and evaluation content. Additionally, companies should provide details regarding the execution status of the board of directors' evaluation, as outlined in Section 4(1)2 of the regulatory guidelines..
- Assessment of Goals and Execution Status in Strengthening the Board's Functions for the Current Year and Recent Years: The board of directors has authorized the establishment of an Audit Committee and a Compensation Committee to assist in fulfilling its oversight responsibilities. Both committees are composed entirely of independent directors. Each committee regularly reports its activities and decisions to the board of directors.

Note 1: If a director or supervisor is a juristic person, please disclose the name of the corporate shareholder and their representative.

Note 2: (1) If a director or supervisor resigns before the end of the year, the resignation date shall be indicated in the Remarks field. The actual attendance rate (%) was calculated on the basis of the number of board meetings held during each director's term and the number of meetings actually attended by that director.

2. Evaluation of the Board of Directors:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Once every 3 years (external evaluation)	2024/01/01 – 2024/12/31	1. Board structure and composition 2. Director qualifications 3. Operational effectiveness 4. Internal controls and risk management 5. Fulfillment of social responsibilities	In 2024, the Company commissioned the Taiwan Corporate Governance Association to conduct an external board performance evaluation based on self-assessment data compiled before year-end 2023. The evaluation involved document review, interviews, and professional analysis conducted by an external expert team. The assessment results were reported to the Board on March 6, 2025.	The external evaluator made the following key recommendations: 1. Establish a “Corporate Sustainability Task Force” to promote long-term ESG strategy execution. 2. Consider adjusting the two-meeting rule for pre-meeting material delivery if necessary. 3. Consider rotating the chairperson of the functional committees. 4. Regularly report board performance to the Board at least once per year. 5. Ensure timeliness and quality of financial reporting and improve communication with external stakeholders. 6. Enhance cybersecurity risk oversight and ESG-related risk identification mechanisms. 7. Strengthen diversity in board member backgrounds and experiences. 8. Improve disclosure quality on strategy execution and board resolutions. 9. Reevaluate the structure and operations of the Audit Committee. 10. Enhance collaboration with internal/external audit functions and reinforce governance over subsidiaries. The Company has responded positively and is progressively implementing improvements to align with sustainable governance objectives.
Once annually (internal evaluation)	2024/01/01 – 2024/12/31	Board of Directors, individual directors, and functional committees (including Audit Committee and Remuneration Committee)	The Company completed the internal board performance and self-evaluation for directors by the end of 2024. The summary results were presented to the Board on March 6, 2025.	1. Board Evaluation Criteria (5 major aspects): (1) Participation in corporate operations (2) Improvement in board decision-making quality (3) Composition and structure of the board (4) Election and continued professional development of directors (5) Internal control 2. Individual Director Self-Evaluation (6 aspects): (1) Alignment with company goals and missions (2) Awareness of directors’ responsibilities (3) Participation in corporate operations (4) Internal relationship management and communication (5) Professionalism and continuing education (6) Internal control 3. Functional Committee Evaluation (5 aspects): (1) Participation in corporate operations (2) Understanding committee duties (3) Enhancing committee decision-making quality (4) Composition and election of members (5) Internal control

The Company completed its 2024 internal self-assessment of the Board of Directors, individual directors, and functional committees (including the Audit Committee and the Remuneration Committee) and reported the results to the Board in the first quarter of 2025 as a basis for performance improvement and governance enhancement.

The overall average score of the Board self-evaluation was 4.6 out of 5.0.

The highest-rated dimension, “Board Composition and Structure,” scored 4.71, indicating a sound and compliant governance structure and well-functioning operations.

This reflects the Board’s progressive alignment with corporate governance best practices.

The self-evaluation of individual directors yielded an average score of 4.88 out of 5.0.

Scores for “Understanding of Directors’ Responsibilities” and “Internal Control” both reached 5.0,

demonstrating excellent engagement and performance of the directors.

The Audit Committee received an overall self-evaluation score of 4.67, with “Participation in Company Operations” rated a perfect 5.0.

The Remuneration Committee also achieved an average score of 4.67, with “Participation in Company Operations” scoring 5.0, reflecting high alignment with governance objectives.

(2) Operations of the Audit Committee

1. Operation of the Audit Committee

The Company's Audit Committee is composed of three independent directors. Its primary purpose is to assist the Board of Directors in fulfilling its oversight responsibilities for the integrity and quality of accounting, auditing, financial reporting processes, and financial controls.

In 2024 (FY113), the Audit Committee held four meetings, during which it reviewed and discussed the following major items:

- (1) Audit of financial statements, accounting policies and procedures
- (2) Internal control systems and related policies and procedures
- (3) Material asset acquisitions and derivative transactions
- (4) Major loans, endorsements, and guarantees
- (5) Fundraising or issuance of securities
- (6) Derivative financial instruments and cash investments
- (7) Regulatory compliance
- (8) Risk management practices
- (9) Qualification, independence, and performance evaluation of the external auditors
- (10) Appointment, dismissal, and remuneration of the external auditors
- (11) Fulfillment of the Audit Committee's responsibilities
- (12) Self-assessment questionnaire of the Audit Committee's performance

Review of Financial Reports

The Audit Committee reviewed the Company's 2024 business report, financial statements, and deficit compensation proposal. The financial statements were audited by Deloitte & Touche CPAs, who issued an unqualified audit opinion.

After due review, the Audit Committee concluded that the above-mentioned reports and proposals are accurate and free of material misstatements.

Evaluation of Internal Control Effectiveness

The Audit Committee assessed the effectiveness of the Company's internal control system, including policies and procedures relating to finance, operations, risk management, information security, outsourcing, and legal compliance.

It reviewed periodic reports from the internal audit department, certified public accountants, and Company management, including those covering risk management and regulatory compliance.

Referring to the COSO “Internal Control — Integrated Framework” (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, the Committee concluded that the Company's risk management and internal control system is effective, and that adequate mechanisms are in place to supervise and correct violations.

Appointment and Independence of Certified Public Accountants (CPAs)

The Audit Committee is responsible for overseeing the independence of the external auditors, ensuring the objectivity of financial statements.

Except for tax-related or special engagements approved in advance, the external auditors are prohibited from providing non-audit services to the Company.

All services provided by the auditors must receive prior approval from the Audit Committee.

To ensure independence, the Committee adopted an evaluation checklist based on Article 47 of the CPA Act and Statement No. 10 of CPA Professional Ethics — Integrity, Fairness, Objectivity, and Independence.

The evaluation covered the auditors' independence, professional competence, and suitability, including whether any conflicts of interest or business/financial ties exist between the auditors

and the Company.

On March 8, 2024, the Audit Committee and Board of Directors resolved that CPAs Mr. Chih-Juan Chi and Ms. Li-Huang Lee of Deloitte & Touche met the independence evaluation standards and are qualified to serve as the Company's financial and tax reporting auditors.

In the most recent year (2024), the Audit Committee had 4 meetings (A), the attendance is as follows:

Title	Name	Actual attendance count (B)	Attendance by proxy	Actual Attendance Rate (%) [B/A]	Remarks	Election date
Independent director	CHIA-HSIANG WANG	4	0	100.00%	Reappointed	
Independent director	YAO-JUNG KAN	4	0	100.00%	Reappointed	
Independent director	FU-LING YEH	4	0	100.00%	Reappointed/ Convener	

Other matters to be stated:

(1) If the Audit Committee encounters any of the following situations, details should be provided regarding the date, session, agenda, content, any dissenting opinions from independent directors, reservations or significant recommendations, decisions made by the Audit Committee, and how the company addressed the opinions of the Audit Committee:

a) Matters listed in Article 14-5 of the Securities and Exchange Act

Audit Committee Date/session	Contents of motions	Resolution of the Audit Committee	The Company's handling of the Audit Committee's resolution
2024/03/06 3rd Term, 9th Meeting	<ol style="list-style-type: none"> Evaluation of effectiveness of internal control system for FY2023 and internal control declaration. Appointment of external auditors and assessment of their independence. FY2023 business report and financial statements. Execution status of private placement of common shares (2023). Proposal for new cash capital increase via private placement. Adoption of Risk Management Policy and Procedures. Loan to subsidiary TAISIC Materials Corp. – NT\$170 million. Evaluation of overdue receivables and non-operating items (including other receivables, prepayments, and deposits) to assess if they constitute loans in substance. 	<p>Unanimously approved.</p> <p>✘ For item 2, voting was conducted after Deloitte representatives left the meeting.</p>	To be implemented as resolved.
2024/05/03 3rd Term, 10th Meeting	<ol style="list-style-type: none"> Approval of Q1 consolidated financial statements for FY2024. Loan to subsidiary TAISIC Materials Corp. – NT\$70 million. Loan to subsidiary TAI VISION CO., LTD. – NT\$20 million. Evaluation of overdue receivables and non-operating items. 	Unanimously approved.	To be implemented as resolved.
2024/08/02 3rd Term, 11th Meeting	<ol style="list-style-type: none"> Replacement of external auditor and reassessment of independence. Approval of Q2 consolidated financial statements for FY2024. Approval of FY2023 Sustainability Report. Loan to subsidiary TAISIC Materials Corp. – NT\$130 million. Loan to subsidiary TAI VISION CO., LTD. – 	<p>Unanimously approved.</p> <p>✘ For item 1, voting was conducted after</p>	To be implemented as resolved.

	NT\$40 million. 6. Guarantee for subsidiary Vietnergy Co., Ltd. – USD 2.5 million. 7. Evaluation of overdue receivables and non-operating items.	Deloitte representatives left the meeting.	
2024/11/05 3rd Term, 12th Meeting	1. Approval of Q3 consolidated financial statements for FY2024. 2. Adoption of the FY2025 Audit Plan. 3. Establishment of "Sustainability Information Management Guidelines" and inclusion in internal control system. 4. Ratification of derivative transactions conducted for trading purposes. 5. Loan to subsidiary Vietnergy Co., Ltd. – USD 2 million. 6. Loan to subsidiary TAISIC Materials Corp. – NT\$120 million. 7. Loan to subsidiary TAI VISION CO., LTD. – NT\$75 million. 8. Evaluation of overdue receivables and non-operating items.	Unanimously approved.	To be implemented as resolved.
<p>b) Apart from the aforementioned matters, there are no decisions approved by more than two-thirds of the entire Board of Directors without prior approval from the Audit Committee.: None.</p> <p>(2) For the implementation and state of independent directors' recusal: None</p> <p>(3) State of communication between independent directors, chief internal auditor and CPA (such as significant items, methods and results of communications on the Company's finances and business status)</p> <p>a) Communication Policy between Independent Directors, Internal Audit Manager, and Accountants:</p> <p>I .Hold at least one meeting per quarter with the Internal Audit Manager and Accountants to discuss completed internal audits and external audit findings for the year, and communicate on addressing audit deficiencies. Record communication outcomes for reporting to the Board of Directors.</p> <p>II.The Internal Audit Manager regularly reports to the Audit Committee on:</p> <ul style="list-style-type: none"> · Annual internal audit plans · Annual professional training plans for audit personnel · Execution status of internal audit operations reported regularly to the Audit Committee <p>III.Accountants attend the Audit Committee at least annually to report on the audit results for the year.</p> <p>IV.Other: In the event of significant abnormal issues or matters deemed necessary for independent communication by the Independent Directors, Internal Audit Manager, and Accountants, meetings can be convened at irregular intervals as needed.</p> <p>b) Communication between independent directors and chief internal auditor: The internal audit supervisor shall report progress on a quarterly basis. In the event of a material issue, a meeting may be convened at any time to report to the independent directors.</p>			
	Date	Key Matter	The discussion outcome
	2024/3/6	Implementation of the audit plan for 2023 Q4	No opinions were expressed during this meeting.

	2024/5/3	Implementation of the audit plan for 2024 Q1	No opinions were expressed during this meeting.
	2024/8/2	Implementation of the audit plan for 2024 Q2	No opinions were expressed during this meeting.
	2024/11/5	Implementation of the audit plan for 2024 Q3	No opinions were expressed during this meeting.
<p>c) Communication between independent directors and CPAs: Independent directors and CPAs shall communicate fully with each other each quarter. In the event of a material issue, a meeting may be convened at any time.</p>			
	Date	Key Matter	The discussion outcome
	2024/03/06	Explanation of FY2023 Profit and Loss, Significant Accounting Issues, and Key Matters Discussed with Management	Reviewed and approved
	2024/05/03	FY2024 Q1 Profit and Loss, Significant Accounting Issues, and Key Matters Discussed with Management Closed-door Meeting	Reviewed and approved Reported to the Board
	2024/08/02	FY2024 First-Half Profit and Loss, Significant Accounting Issues, and Key Matters Discussed with Management Closed-door Meeting	Reviewed and approved Reported to the Board
	2024/11/05	FY2024 Q3 Profit and Loss, Significant Accounting Issues, and Key Matters Discussed with Management Closed-door Meeting	Reviewed and approved Reported to the Board

Note 1: If an independent director resigns before the end of the year, the resignation date shall be indicated in the Remarks field. The actual attendance rate (%) was calculated on the basis of the number of board meetings held during the term of the Audit Committee and the number of meetings actually attended during active duty.

Note 2: If there is a reelection of an independent director before the end of the year, the new and old independent directors must be stated, and indicate if such independent director is old, new, or re-elected, as well as the reelection date. The percentage of actual (proxy) attendance (%) will be calculated based on the number of Audit Committee meetings held during active duty and the number of actual (proxy) attendance.

2. Participation of supervisors in Board meetings: Not applicable, as the Company has established an Audit Committee.

(3) Corporate governance implementation and the difference from the Corporate Governance Best Practice Principles for TWSE/TPEX-Listed Companies and reasons

Evaluation Item	States of operation (Note 1)			Nonconformities to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof
	Yes	No	Summary	
1. Has the Company established its own “Corporate Governance Best Practice Principles” based on the TWSE/TPEX guidelines?	V		The Company has adopted its own “Corporate Governance Best Practice Principles” in accordance with the TWSE’s Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and has published the full text on its website. These principles, in addition to the Articles of Incorporation and other rules, strengthen the structure and function of the Board of Directors, respect shareholders' rights, and improve information transparency.	No material deviation from the Principles.
2. Shareholding structure and shareholders' rights				
(1). Has the Company established its own “Corporate Governance Best Practice Principles” based on the TWSE/TPEX guidelines?	V		The Company has adopted its own “Corporate Governance Best Practice Principles” in accordance with the TWSE’s Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and has published the full text on its website. These principles, in addition to the Articles of Incorporation and other rules, strengthen the structure and function of the Board of Directors, respect shareholders' rights, and improve information transparency.	No material deviation from the Principles.

Evaluation Item	States of operation (Note 1)			Nonconformities to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof
	Yes	No	Summary	
(2) Has the Company established risk control mechanisms for the acquisition or disposal of material assets, derivatives transactions, and loans or endorsements/guarantees for others?	V		The Company provides relevant shareholder services through its stock agent and has disclosed material shareholders and ultimate beneficial owners in accordance with regulations.	No material deviation.
(3) Has the Company established and implemented internal procedures for related party transactions and for controlling and disclosing material information?	V		The Company has established internal procedures for related party transactions and disclosure of material information, and has formulated appropriate controls and mechanisms to strengthen financial and operational transparency.	No material deviation.
(4) Has the Company established internal rules prohibiting insiders from trading securities based on undisclosed information?	V		The Company has adopted internal control procedures for insider trading prevention, and requires compliance within the relevant legal framework.	No material deviation.
3. Composition and responsibilities of the Board of Directors				
(1) Has the Board established and implemented a diversity policy for its composition?	V		The composition of the Board of Directors emphasizes diversity in backgrounds and expertise, including law, finance, accounting, industry, and technology. All directors possess necessary knowledge, skills, and literacy.	No material deviation.
(2) Has the Company established a	V		The Company has established both the Audit Committee	No material

Evaluation Item	States of operation (Note 1)			Nonconformities to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof
	Yes	No	Summary	
Remuneration Committee and an Audit Committee in accordance with the law, and are their roles and operations functioning effectively?			and Remuneration Committee in accordance with legal requirements, and both function effectively.	deviation.
(3) Has the Company established a performance evaluation mechanism for the Board, and conducted such evaluation regularly?	V		The Company has implemented the “Board Performance Evaluation Guidelines,” and has conducted self-assessment and peer evaluations annually since January 1, 2020.	No material deviation.
(4) Does the Company regularly assess the independence of the signing CPAs?	V		The Audit Committee conducts an annual evaluation of the independence of the signing CPAs. The results are reported to the Board of Directors. The most recent evaluation was conducted at the Audit Committee meeting on March 6, 2025, and the results were also reported to the Board on the same day.	No material deviation.
4. Has the Company assigned an adequate number of qualified corporate governance officers, and designated a governance supervisor responsible for assisting the Board and supervisors with compliance and administrative affairs (e.g., providing information, handling meetings, and shareholder registration filings)?	V		To protect shareholder rights and strengthen the functioning of the Board, the Company passed a resolution at its board meeting on March 10, 2021, to appoint the Finance Head, Ms. Hsiu-Chen Hsu, as the designated Corporate Governance Supervisor. Ms. Hsu meets the qualification requirement of at least 3 years of experience in financial, stock affairs, or related	No material deviation.

Evaluation Item	States of operation (Note 1)			Nonconformities to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof															
	Yes	No	Summary																
			<p>fields. Her duties include:</p> <ul style="list-style-type: none"> • Supporting Board and shareholder meeting logistics, minute-taking, legal compliance, and filing requirements • Coordinating information needed by directors and supervisors • Assisting with director nomination procedures and CPA appointment processes • Managing the educational training plans for directors, including updates on laws and regulations. <p>Training record for FY2024 (Year 113): 22 hours in total:</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Topic</th> <th>Hours</th> </tr> </thead> <tbody> <tr> <td>2024/6/6</td> <td>GHG Protocol Corporate Standards and Comparison of Three Frameworks</td> <td>7 hours</td> </tr> <tr> <td>2024/8/2</td> <td>Strategic Corporate Governance in a New Era</td> <td>3 hours</td> </tr> <tr> <td>2024/9/20</td> <td>2024 ESG Risk and Compliance Workshop</td> <td>3 hours</td> </tr> <tr> <td>2024/10/31</td> <td>[Smart Leadership] Innovation in AI Governance</td> <td>3 hours</td> </tr> </tbody> </table>	Date	Topic	Hours	2024/6/6	GHG Protocol Corporate Standards and Comparison of Three Frameworks	7 hours	2024/8/2	Strategic Corporate Governance in a New Era	3 hours	2024/9/20	2024 ESG Risk and Compliance Workshop	3 hours	2024/10/31	[Smart Leadership] Innovation in AI Governance	3 hours	
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2024/10/31	[Smart Leadership] Innovation in AI Governance	3 hours																	

Evaluation Item	States of operation (Note 1)			Nonconformities to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof						
	Yes	No	Summary							
			<table border="1"> <tr> <td>2024/11/6</td> <td>Practical Risk Management for Generative AI</td> <td>3 hours</td> </tr> <tr> <td>2024/11/29</td> <td>Legal Compliance Briefing on Shareholder Meetings and Insider Trading</td> <td>3 hours</td> </tr> </table>	2024/11/6	Practical Risk Management for Generative AI	3 hours	2024/11/29	Legal Compliance Briefing on Shareholder Meetings and Insider Trading	3 hours	
2024/11/6	Practical Risk Management for Generative AI	3 hours								
2024/11/29	Legal Compliance Briefing on Shareholder Meetings and Insider Trading	3 hours								
5.Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), and set up a dedicated section on the Company’s website for stakeholder relations and corporate social responsibility (CSR) issues?	V		The Company has appointed both a spokesperson and an acting spokesperson to handle external communication. A dedicated “Stakeholder Zone” has been set up on the Company’s website to respond appropriately to significant corporate social responsibility (CSR) issues concerning stakeholders.	No material deviation.						
6.Has the Company appointed a professional stock agent to handle shareholder services?	V		The Company has engaged a professional stock agency to handle shareholder meeting administration and share registration matters.	No material deviation.						
7. Information Disclosure										
(1) Has the Company set up a website to disclose financial, business, and governance information?	V		The Company has established an official website (http://www.tainergy.com), which includes business-related information. To enhance transparency, disclosures were updated by Dec. 25, 2024, to provide shareholders with comprehensive access.	No material deviation.						

Evaluation Item	States of operation (Note 1)			Nonconformities to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof
	Yes	No	Summary	
(2) Does the Company adopt other disclosure methods (e.g., English disclosure, designated spokespersons, investor briefings, or press conferences)?	V		The Company has designated spokespersons and provides timely updates on material information, including English summaries, on its website.	No material deviation.
(3) Does the company announce and file its annual financial report within two months after the end of the fiscal year, and announce and file its first, second and third quarter financial reports and monthly operating results in advance of the prescribed deadline?		V	The Company discloses annual and quarterly reports within deadlines. No early announcement practices were adopted.	No material deviation.
8. Does the Company disclose other important information that contributes to a better understanding of its corporate governance practices (including but not limited to: protection of employee rights, employee care programs, investor relations, supplier relationships, stakeholder rights, training of directors and supervisors, implementation of risk management policies and risk assessment standards, customer	V		<ol style="list-style-type: none"> 1. The Company has implemented a training program for directors and supervisors and updates them periodically on legal and regulatory changes. 2. The risk management system is handled by a dedicated person and is functioning well. 3. Effective communication and reporting channels are maintained. 4. Directors and supervisors are insured under director and officer (D&O) liability insurance. 	No material deviation.

Evaluation Item	States of operation (Note 1)			Nonconformities to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof
	Yes	No	Summary	
policy enforcement, and liability insurance coverage for directors and supervisors)?				
<p>9. Please specify the status of the correction based on the corporate governance assessment report released by the Corporate Governance Center of TWSE in the most recent year, and the priority corrective actions and measures against the remaining deficiencies.</p> <p>We, as a company, strive for the development of sustainability in economic, environmental and social aspects, and will continue to uphold our core corporate values of integrity, while holding the long-term sustainable responsibility to our stakeholders and society. Matters pending improvement have been addressed as priorities for gradual improvement.</p>				

Note 1: Regardless of ticking “yes” or “no” for the state of operation, it should be explained in the summary field.

Note 2: The term “corporate governance self-evaluation report” refers to the report on the current operation and performance of the Company under corporate governance self-evaluation items.

- (4) If the company has established a remuneration committee, its composition, duties and state shall be disclosed.

The establishment of the Company's remuneration committee was resolved by the board of directors' meeting held on August 19, 2011. The committee must be composed of with at least three members and the appointment is determined by the board. One of the members must be an independent director who will also serve as the convener. The Compensation Committee of the company, composed of all three independent directors, shall faithfully perform the following duties with the duty of care of a prudent manager:

- (1) Periodically review the yearly and long-term performance goal of the Directors and managers of the Company, and the policy, system, standard and structure of the remuneration.
- (2) Periodically evaluate the remuneration to directors and managers.

When the Committee exercises the above duties, it shall follow the guidelines as per below:

- (1) With respect to the performance assessment and remuneration of directors and managers of the company, it shall refer to the typical pay levels adopted by peer companies, and take into consideration the reasonableness of the correlation between remuneration and individual performance, the company's business performance, and future risk exposure.
- (2) Directors and manager officers shall not engage in behavior beyond the risk tolerance level of the Company for the purpose of pursuing remuneration.
- (3) With respect to the time to distribute bonus in proportion with the short-term performance of directors and senior managers, or remuneration that is partially variable, the Company shall consider the characteristics of the industry and the business nature to decide the proper time to pay.

"Remuneration" as used in the preceding two paragraphs includes cash compensation, stock options, profit sharing and stock ownership, retirement benefits or severance pay, allowances or stipends of any kind, and other substantive incentive measures.

If decision-making and handling of any matter relating to the remuneration of directors and managers of a subsidiary is delegated to the subsidiary but requires ratification by the board of directors of the parent company, the parent company's remuneration committee shall be asked to make recommendations before the matter is submitted to the board of directors for deliberation.

1. Information about remuneration committee members:

Identity (Note 1)	Qualifications	Years of service of independent directors		Industrial experience (Note 2)						Professional competence (Note 2)		State of independence (Note 3)	Number of public companies in which concurrently serves as an independent director
		6-9 years	Over 9 years	Business and supply	Mechanical and engineering	Financial affairs and finance	Hotel management	Biological Technology	Financial affairs	Risk management			
Name													
Independent director	YAO-JUNG KAN	-	V	V	V	V	V	-	-	V	All members of the Company's Remuneration Committee meet the following criteria: They fully comply with the requirements of Article 14-6 of the Securities and Exchange Act, as well as the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter" promulgated by the Financial Supervisory Commission (FSC) of Taiwan.	0	
Independent director	CHIA-HSIANG WANG	-	V	V	-	V	-	-	V	V	As of March 29, 2025, none of the committee members, their spouses, or relatives within the second degree of kinship hold any shares of the Company. The total number of shares held is zero, representing 0.00% of the Company's outstanding shares.	1	
Independent director	FU-LING YEh	-	V	V	-	-	-	V	-	V	In the past two years, none of the committee members have received any remuneration for providing business, legal, financial, or accounting services to the Company or its affiliated enterprises, nor have they served as directors, supervisors, or employees of any company having a specific relationship with the Company.	1	

Note: In the two years prior to appointment and during tenure, none of the following conditions should apply:

- (1) Employee of the company or its affiliated enterprises.
- (2) Director or supervisor of the company or its affiliated enterprises.
- (3) Myself, spouse, minor children, or any natural person shareholder holding 1% or more of the company's issued shares or within the top ten shareholders.
- (4) Spouse or relatives within the second degree or direct blood relatives within the third degree of the aforementioned managers, directors, or supervisors.
- (5) Director, supervisor, or employee of a legal person shareholder who directly holds 5% or more of the company's issued shares, is within the top five shareholders, or serves as a company director according to Article 27 of the Company Act.

- (6) Directors, supervisors, or employees of another company who control more than half of the voting rights or hold board seats in the company.
- (7) Directors, supervisors, or employees of another company or organization where the chairman, general manager, or equivalent position is the same person or spouse as in our company.
- (8) Directors, supervisors, managers, or shareholders holding 5% or more of specific companies or institutions with financial or business transactions with our company.
- (9) Professionals, sole proprietors, partners, company owners, partners, directors, supervisors, managers, or their spouses providing audit or related services to the company or its affiliated enterprises and receiving accumulated remuneration exceeding NT\$500,000 in the past two years. However, this does not apply to members of the Compensation Committee of our company.

Note 1: Please provide specific details in the table regarding the work experience, professional qualifications, experience, and independence of each member of the Remuneration Committee. If any member is an independent director, please indicate that you can refer to Annex 1 for relevant information on directors and supervisors. Please indicate their role as an independent director or other (if the person is the convener, please make a note).

Note 2: Professional qualifications and experience: Please specify the professional qualifications and experience of each Remuneration Committee member.

Note 3: Independence status: Please specify the independence status of Remuneration Committee members, including but not limited to whether they, their spouses, second-degree relatives serve as a director, supervisor or employer in the Company or affiliates; the proportion of shares held by the members themselves, their spouses or second-degree relatives (or in the name of others); whether the members serve as directors, supervisors or employees of companies with which the Company has a specific relationship (refer to Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); and the amount of remuneration received for commercial, legal, financial and accounting services provided to the Company or its affiliates in the past two years.

2. Information on the functionality of the Remuneration Committee:

The Company's Remuneration Committee is made up of three members.

From July 4, 2022 to June 22, 2025; the Committee held 2 meetings (A) during 2024, and the qualifications and attendance of the members are as follows:

Title	Name	Actual Attendance B	Attendance by proxy	Actual attendance rate [B/A]	Remarks
Convener	CHIA-HSIANG WANG		0	100.00%	
Committee member	YAO-JUNG CHUEH		0	100.00%	
Committee member	FU-LING YEH		0	100.00%	

Other matters to be stated:

1. If the Board of Directors does not adopt or amend the suggestions from the Remuneration Committee, the date and session of the Board meeting, contents of the proposals, meeting resolutions, and the Company's handling of the Remuneration Committee's opinions shall be specified (if the remuneration passed by the Board of Directors is higher than that suggested by the Remuneration Committee, the deviation and causes thereof shall be specified): None.
2. If any member objects or expresses qualified opinions to the resolution made by the Remuneration Committee, whether on-the-record or in writing, the date and session of the meeting, contents of the proposal, the entire members' opinions, and how their opinions are addressed shall be specified: None.

Note:

- (1) If a member of the Remuneration Committee resigns before the end of the year, the resignation date shall be indicated in the Remarks field. The actual attendance rate (%) was calculated on the basis of the number of board meetings held during the term of the Remuneration Committee and the number of meetings actually attended during active duty.
- (2) If there is a reelection of the Remuneration Committee before the end of the year, the new and old members of the Remuneration Committee must be stated, and indicate if such member is old, new, or reelected, as well as the reelection date. The percentage of actual (proxy) attendance (%) will be calculated based on the number of Remuneration Committee meetings held during active duty and the number of actual (proxy) attendance.

3. Discussions and resolutions by the remuneration committee

Meeting Date/Number	Agenda Items and Handling	Resolution Result	Company Action
2024/3/6 5th Committee, 5th Meeting	1. Discussed the 2023 Employee and Director Remuneration Proposal.	Approved unanimously by all attending committee members.	Submitted to the Board of Directors and approved by all directors present.
2024/11/5 5th Committee, 6th Meeting	1. Reviewed the system, policy, and performance evaluation criteria for directors and managerial officers' compensation. 2. Discussed the proposal on the distribution of annual bonuses to managerial officers (above and including vice president) for FY2024.	Approved unanimously by all attending committee members and applied in accordance with the Company's existing policies.	Submitted to the Board of Directors and approved by all directors present.

(5) Implementation of Sustainable Development Practices and Explanation of Any Differences from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies

The Company’s corporate vision is “Protect the Earth, Benefit Humanity, and Develop Green Products.” In alignment with this vision, we actively promote a variety of environmental protection policies, strive to raise environmental awareness among all employees, and ensure that all company products comply with relevant environmental regulations.

Promotion item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Summary	
1. Has the Company established a sustainable development governance framework, appointed dedicated (or concurrent) sustainability officers, authorized senior management to oversee implementation, and ensured Board oversight?			<p>The “Corporate Sustainability Development Task Force” (hereinafter referred to as the ESG Task Force) has been established as the Company’s highest-level internal decision-making body for sustainability. Chaired by the President, the ESG Task Force convenes annually to report its activities, review the Company’s sustainability and ESG management strategies, supervise the operational team’s implementation, and assess progress toward annual ESG goals to strengthen corporate resilience.</p> <p>The ESG Task Force is responsible for the coordination and integration of group-wide resources to promote sustainability initiatives, facilitate interdepartmental communication and collaboration, and provide improvement recommendations. The task force periodically reports the progress of sustainability initiatives to ensure the Company is aligned with its sustainable development direction.</p> <p>In response to international trends, the ESG Task Force continuously monitors and evaluates global and domestic corporate sustainability issues, and has conducted risk assessments accordingly. The ESG Task Force comprises four sub-groups with distinct functions: Environmental Sustainability Social Responsibility</p>	The Company continuously enhances the execution of its sustainability practices to ensure alignment with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

		<p>Corporate Governance Economic Advancement</p> <p>These cross-functional working groups are composed of representatives from various departments, including Human Resources, Environmental Health and Safety, Business Development, Project Owners, and Procurement. Together, they form the Company's sustainability governance framework, aiming to implement corporate social responsibility (CSR) practices and fulfill the Company's obligations to society.</p> <p>Each sub-group appoints a leader and holds monthly meetings to identify sustainability topics that are material to the Company and its stakeholders. Based on these topics, they formulate strategies and action plans, allocate related budgets, and execute annual initiatives. They are also responsible for setting strategic sustainability goals and monitoring performance. The ESG Task Force remains focused on ESG topics and continually seeks improvements to ensure that sustainability strategies are fully embedded in daily operations, thereby fostering a win-win partnership with stakeholders.</p> <p>The Board of Directors reviews the ESG report annually, provides professional guidance to the management team, and offers timely strategic recommendations based on the report content.</p>	
<p>2. Has the company conducted risk assessments on environmental, social, and corporate governance (ESG) issues related to its operations based on the principle of materiality, and established relevant risk management policies or strategies?"</p>		<p>The Company bases its annual materiality analysis on six systematic steps to identify topics of concern among internal and external stakeholders. Considerations include the characteristics of the solar photovoltaic industry, international trend reports, customer feedback, and data from previous surveys. These serve as the basis for selecting material topics, defining the boundaries for data collection, identifying stakeholders, and establishing risk management mechanisms for material issues. This approach enhances the Company's operational resilience and sustainable value, while meeting stakeholder expectations of Tainergy.</p> <p>The Company follows the GRI Standards and AA1000SES guidelines to identify and prioritize the most critical internal and external issues that significantly impact the Company and its stakeholders. The material topics identified through this process are reviewed and approved by the ESG Steering Committee and submitted to the Chairman for final approval. These material topics serve as the foundation for the scope, focus areas, and development of the Company's sustainability strategy as disclosed in this report.</p>	

Aspect	Material Topics	Actual - Positive Impact	Actual - Negative Impact	Potential - Positive Impact	Potential - Negative Impact
Environmental	Energy Efficiency EnhancementGRI 302 Energy	Reduce energy costs and environmental burden	High investment in water treatment and equipment maintenance	Promote green innovation and transformation	Equipment updates and regulatory requirements may increase capital needs
	Water Resource ManagementGRI 303 Water and Effluents	Save water usage and reduce wastewater treatment costs	High investment in water treatment and equipment maintenance	Promote water resource recycling and elevate local environmental image	Water resource risk concerns persist
	Solar Panel Recycling and UtilizationGRI 301 Materials, GRI 306 Waste	Reduce waste disposal volume and environmental pollution	Difficult to fully recycle and reuse due to low prices and recycling technology	Promote circular economy development and renewable energy reuse technologies	Future regulatory tightening and disposal cost increases may create risks; difficulties in solar panel recycling remain
	Hazardous Waste Reduction and ManagementGRI 306 Waste	Reduce hazardous waste generation and processing costs	Expansion of production scale increases disposal volume	Promote sustainable circular economy and green supply chain	Toxicity of hazardous waste presents long-term environmental risk
	Recycling and Utilization of Industrial WasteGRI 301 Materials, GRI 306 Waste	Provide material reuse, reduce raw material usage pressure	Recycled materials may affect product quality; varying levels of acceptability	Promote green materials application and product value innovation	Market acceptance of recycled materials remains uncertain and may affect cost-effectiveness
Social	Occupational Health and SafetyGRI 403 Occupational Health and Safety	Reduce occupational injury risks and labor disputes	Requires continuous investment in health and safety facilities and personnel	Establish safety culture, boost corporate image	Failure to meet regulations may result in penalties and harm to employee rights
	Gender Equality and Equal OpportunityGRI 405	Promote diverse and inclusive workplace	Awareness and practices still need to improve	Enhance employer branding and global competitiveness	Risk of discrimination disputes and impact on employee morale
	Employee Career Development and Promotion OpportunitiesGRI 404 Training and Education	Increase employee satisfaction and retention	Requires high investment in training resources	Enhance organizational capabilities and competitiveness	Talent cultivation may not keep up with business changes
	Labor Law Compliance and Career Transition ProtectionGRI 202 Market Presence, GRI 401 Employment	Ensure labor rights and legal compliance	High administrative costs and time investment	Improve employee trust and corporate responsibility	Inadequate implementation may affect employer-employee relations
	Digital Transformation and Employee AdaptationGRI 404 Training and Education, GRI 401 Organizational Change	Strengthen employee digital capabilities	Resistance to change and learning challenges	Drive organizational transformation and innovation	Digital gap may lead to job mismatch and dissatisfaction

Aspect	Material Topics	Actual - Positive Impact	Actual - Negative Impact	Potential - Positive Impact	Potential - Negative Impact
Governance	Information Transparency and Disclosure GRI 2-1 to 2-29 General Disclosures	Increase investor confidence and promote capital market entry	Over-disclosure may reveal business opportunities to competitors	Build long-term credibility and positive supervisory image	Incomplete disclosure may cause regulatory scrutiny or legal risk
	Risk Management and Internal Control GRI 2-12 / 2-13 Governance	Strengthen risk prevention and enhance operational resilience	Over-control may lead to rigid decision-making and inefficiency	Strengthen long-term corporate resilience and capital attraction	Lack of timely and effective risk assessment may cause major losses
	Shareholder Rights Protection GRI 2-9 / GRI 207 Tax Transparency	Improve investor trust and stable shareholder structure	Conflicts of interest may arise, affecting decision efficiency	Boost long-term corporate value and trading activity	Excessive shareholder interference may affect decision flexibility and efficiency
	Customer Privacy and Information Security Management GRI 2-6 / GRI 418 Customer Privacy	Enhance customer trust and decision-making transparency	Frequent external attacks require strengthened data protection capabilities	Support digitalization and shape data trust culture	Inadequate response may lead to information leakage and brand damage
	Legal Compliance and Regulatory Adaptation GRI 2-27 / GRI 419 Socioeconomic Compliance	Ensure legal compliance and reduce external risks	Sudden changes in regulations may disrupt business processes	Respond quickly to changes and increase market adaptability	Misjudgment of regulatory trends may lead to legal disputes and market loss
Economic	Solar Power Generation Efficiency Improvement GRI 302 Energy	Improve energy utilization rate and reduce electricity costs	Requires major R&D capital due to technological breakthroughs	Promote technological innovation and market growth	Failure to keep pace with technological advances may reduce competitiveness
	Integration of Solar Energy and Energy Technology GRI 302 Energy, GRI 201 Economic Performance	Diversified energy sources enhance supply stability	High cost of energy technology development	Promote low-carbon energy development	May affect reliability if solar energy generation is unstable
	International Trade and Policy/Tax Compliance GRI 207 Tax, GRI 2-27 Legal Compliance	Reduce legal risks and improve compliance	High monitoring and regulatory cost for global policies	Benefit from favorable policies and emerging markets	Renewable energy regulations may limit company development
	Customer Satisfaction Management GRI 418 Customer Privacy, non-GRI: Customer Relationship Management	Enhance customer loyalty and satisfaction	Requires high customer resource investment	Enhance brand image and market competitiveness	Poor service may result in customer loss
	Corporate Resilience GRI 201 Economic Performance, GRI 2-14 Risk and Opportunity	Enhance corporate resilience and crisis response	Requires capital and resource reallocation	Improve long-term corporate stability and competitiveness	Delayed response may hinder corporate development

Promotion item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Summary	
3. Environmental Issues				
(1) Has the company established an appropriate environmental management system in accordance with the characteristics of its industry?	V		(1) The company has established a suitable environmental management system in line with its industry characteristics, such as implementing 6S environmental management audits. It has also passed ISO 14001 system certification. The ISO 14001 Environmental Management System certificate is valid from September 8, 2022, to September 8, 2025, and plans are in place for renewal.	In compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.
(2) Has the company made efforts to improve energy efficiency and adopt renewable materials that have lower environmental impact?	V		(2) The company is committed to enhancing environmental awareness among all employees and ensuring that its products comply with environmental regulations. Long-term efforts have been made to improve the efficiency of resource use, including initiatives such as electronic signature systems (paperless operations), waste reduction at factories, and resource sorting and recycling programs aimed at maximizing resource efficiency.	
(3) Has the company assessed the potential	V		(3) The company has assessed the potential risks and opportunities of climate change and incorporated them into its risk management framework. It actively promotes energy-	

risks and opportunities posed by climate change to its current and future operations, and taken corresponding climate-related actions?		saving and carbon-reduction strategies, including the installation of solar power generation systems and intelligent energy-saving control systems. In 2024, the company invested NTD 123 million in the operation of nine power plants. The total green electricity generated amounted to 3.37 million kWh, equivalent to a carbon reduction of approximately 1,597.38 tons, which is equivalent to the carbon absorption of 168,926 trees.	
(4) Has the company compiled statistics on greenhouse gas emissions, water consumption, and total waste generated over the past two years, and formulated policies on greenhouse gas reduction, water conservation, or other waste management practices?	V	(4) The company continues to implement energy-saving and carbon-reduction strategies to effectively reduce greenhouse gas emissions and water usage. Improvement targets have been set and are tracked regularly. Additional measures include installing smart power current indicators for energy monitoring, replacing conventional lighting with energy-efficient models, upgrading old air conditioning units, installing water-saving valves, and expanding solar power generation equipment. The company's products convert the boundless energy of sunlight into electricity, embodying both energy-saving and environmental protection concepts, thereby fulfilling its social responsibility as a global citizen.	
4. Social Issues			
(1) Has the company formulated relevant management policies and procedures in accordance with applicable laws and	V	(1) In order to fulfill corporate social responsibility and safeguard the fundamental human rights of all employees, customers, and stakeholders, the Company adheres to the principles set forth in international human rights conventions, such as the United Nations Global Compact and the Universal Declaration of Human Rights. The Company respects internationally recognized fundamental human rights and strictly complies with labor-	

international human rights conventions?

related laws and regulations of the countries in which it operates, thereby establishing a Human Rights Policy.

This Human Rights Policy applies to the Company, its domestic and overseas subsidiaries, joint ventures, and other affiliated enterprises over which the Company exercises substantive control.

A summary of the Company's human rights management policy and related initiatives is as follows:

1. Diversity, Inclusion, and Equal Employment Opportunities

In accordance with national labor laws, the Company prohibits child labor, forced labor, and employment discrimination. It is committed to creating a diverse, inclusive, open, and equal work environment free from harassment, and strictly prohibits any conduct that violates human rights.

All salaried employees are treated fairly regardless of gender (including sexual orientation), race, class, age, marital status, language, ideology, religion, political affiliation, place of origin, birthplace, appearance, facial features, or physical and mental disabilities. No differential treatment or discrimination in any form is tolerated.

2024 Group – Employee Ethnicity Indicator

Ethnicity	% of Total Employees	% of Managers
Taiwanese (ROC)	66%	33%
Southeast Asian	32%	67%
Indigenous Peoples	1.69%	0.34%

2024 Group – Female Diversity Indicator

Indicator	2024 (%)	Target (2030) (%)
Women in total workforce	49%	50%
Women in all levels of management	35%	40%
Women in mid-level management	43%	43%
Women in top executive positions (CEO & equivalent roles)	0%	10%
Women in roles with advancement potential	57%	57%
Women in STEM-related positions (Science, Tech, Engineering, Math)	33%	33%

2024 Group – Other Diversity Indicators

Category	Percentage of Total FTEs (%)	
People with disabilities	0.68%	
LGBTQI+	0.00%	
All employees	under age 30	24.32%
	aged 30–50	67.57%
	over age 50	8.11%
	Total	100.00%

2. Providing a Safe and Healthy Working Environment

The Company ensures effective protection of labor rights and fosters a friendly and harmonious labor-management relationship by upholding fairness in employment, compensation and benefits, training, performance evaluation, and promotion opportunities. An effective and appropriate grievance mechanism is in place to prevent and respond to incidents that may harm employee rights. We provide a safe and healthy working environment and necessary health and first-aid measures to eliminate potential hazards that could affect employee health and safety and reduce the risk of occupational accidents. The Company proactively monitors and manages abnormal workloads to avoid excessive working hours. Free annual health checkups are provided to all employees, and we actively organize health-related seminars and activities, including full physical checkups, smoking cessation campaigns, light office exercise programs, blood donation drives, and weight management initiatives.

3. Respect for Freedom of Association,

The Company respects employees' fundamental human rights and labor rights, including their freedom of association and assembly. We provide multiple communication channels and regularly convene labor-management meetings to ensure transparent dialogue and promote a harmonious, win-win labor relationship.

4. Employee Education and Training

The Company regularly organizes occupational safety-related training programs, including fire safety training, first-aid responder training, and general safety and health education. New employee orientation includes guidance on relevant labor regulations to ensure humane treatment and a safe and healthy working environment.

5. Fostering a Harassment-Free Workplace

To create a high-quality workplace, the Company provides a working and service environment free from sexual harassment. Grievance channels for reporting such incidents have been established, along with appropriate preventive, corrective, disciplinary, and remedial measures. These are implemented in accordance with Article 13 of the Act of Gender Equality in Employment, Article 2 of the Guidelines for Establishing Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace, Article 7 of the Sexual Harassment Prevention Act, and related regulations.

The Company has also developed “Measures for the Prevention, Complaint, and Punishment of Sexual Harassment in the Workplace and General Environments.” In line with the “Employee Grievance Handling Guidelines,” a reporting mechanism is in place to safeguard employee rights, allowing employees to report instances where legal rights are violated or improper treatment occurs and cannot be resolved through regular channels.

In 2024, a one-hour training session on unlawful infringement and sexual harassment prevention was conducted for all employees, with 100% participation and completion. Moving forward, the Company will continue to prioritize human

			rights protection, promote relevant education and training programs, and raise awareness to reduce the likelihood of related risks.
(2) Has the company established and implemented reasonable employee welfare measures (including compensation, leave, and other benefits), and are the company's operational performance or results appropriately reflected in employee compensation?	V	(2) Employee Welfare and Profit Sharing The Company has a well-established set of management regulations, including policies for compensation management and leave management, which clearly define employee salary, leave entitlements, and welfare benefits. Welfare measures include annual health checkups, festival bonuses (three major holidays), monetary gifts for weddings, funerals, and other life events, as well as group insurance plans. New hires enjoy special annual leave entitlements that exceed the requirements of the Labor Standards Act. In addition, the Company allocates 5% to 15% of its annual profit as employee remuneration, ensuring that employee compensation grows in line with corporate performance. This approach promotes labor-management harmony and demonstrates our commitment to corporate social responsibility.	
(3) Does the company provide employees with a safe and healthy working environment and conduct regular safety and health education?	V	(3) Occupational Safety and Health To prevent workplace accidents, ensure a friendly working environment, and protect the safety of employees and contractors, the Company organizes regular annual employee health checkups and occasional safety and first aid training. An internal pandemic response team has been established along with a response plan to maintain workplace safety and health. Relevant health and safety information is published on the internal website to enhance employee awareness. Prior to contractors performing operations at any Company facility, occupational safety briefings and toolbox meetings are conducted to ensure safe working conditions. The Company also regularly holds fire safety drills to establish real-time emergency response mechanisms. In 2024, no fire-related incidents occurred. The number of casualties caused by fires was zero, accounting for 0% of the total workforce.	
(4) Has the company established an effective career development and	V	(4) Employee Career Development and Training The Company has implemented the "Employee Development Plan" to promote a systematic and structured talent cultivation strategy. This initiative aims to enhance employee competencies and leadership potential, thereby strengthening the Company's operational performance and	

training program for employees?

long-term sustainability. Based on job roles and career stages, tiered and diversified development programs are designed for employees at all levels. These include onboarding programs, professional skill advancement, and general knowledge training. The Company encourages continuous growth through multiple learning methods and incorporates corporate ethics training to build core competencies. During the annual performance review process, supervisors and employees jointly discuss and set individual development plans. Regular reviews and feedback are conducted to tailor optimal career development paths for each employee.

2024 Employee Training Summary

Training Category	Total Participants	Total Hours	Expense (NTD)
1. New Employee Orientation	49	110	–
2. Professional Skills Training	502	1,093	113,272
3. General Education Training	815	3,596	85,812
4. Self-Development Training	–	–	–
Total	1,366	4,799	199,084

(5) Regarding issues such as customer health and safety, privacy, marketing, and labeling, does the company comply with relevant laws and international standards and establish policies and grievance procedures to protect

V

(5) Marketing, Labeling, Customer Privacy, and Grievance Mechanisms
 The Company complies with all relevant laws and international standards regarding the marketing and labeling of its products and services. It has obtained ISO 9001:2015 Quality Management System certification. To protect customer privacy, the Company adheres to confidentiality agreements and complies with the Personal Data Protection Act. A dedicated customer service unit and a stakeholder engagement section have been established to provide grievance channels and safeguard consumer rights.

consumer or customer rights?				
(6) Has the company established a supplier management policy that requires suppliers to comply with relevant standards on environmental protection, occupational health and safety, or labor and human rights? If so, how is the implementation carried out?	V		<p>(6) Supplier Management and ESG Standards</p> <p>The Company has implemented a “Supplier Management Policy.” Contracts with key suppliers include provisions related to environmental regulations, intellectual property rights, and anti-corruption clauses to protect the rights and interests of all stakeholders.</p> <p>In addition, the Company has established a “Supplier Evaluation Survey,” requiring suppliers to comply with relevant standards concerning environmental protection, occupational health and safety, and labor and human rights. The Company maintains positive and interactive relationships with suppliers to build mutually beneficial partnerships.</p> <p>Regular evaluations are conducted, and the resulting scores influence purchasing volumes. This system strengthens collaboration within the supply chain and promotes joint efforts in enhancing corporate social responsibility.</p>	
5. Has the company prepared sustainability reports or other disclosures of non-financial information in accordance with internationally recognized reporting standards or guidelines?		V	<p>The Company fulfills its corporate sustainability responsibilities in accordance with the requirements of competent authorities and applicable laws and regulations. A dedicated Corporate Social Responsibility (CSR) section has been established on the Company’s official website.</p> <p>In compliance with regulatory requirements, the Company will prepare the Sustainability Report for the year 2024 (113th fiscal year) in 2025 (114th year), and will disclose relevant information on the Company’s website and the Market Observation Post System (MOPS), based on actual operational practices.</p>	<p>The Company has published its Sustainability Report since 2022 year. However, the report has not undergone assurance or verification by an independent third-party assurance provider.</p>
6. If the company has established its own Sustainability Development Best-Practice Principles in accordance with the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies,” please describe its implementation and any differences from the said Principles: None.				

7. Other Key Information Reflecting the Implementation of Sustainable Development

(1) Sustainable Operations

The Company adheres to the business philosophy of “Integrity in Operations, Passion in Service,” holding itself to high ethical standards. In compliance with labor, retirement, and other relevant regulations stipulated by the government and competent authorities, all employees are required to sign an “Integrity Commitment Letter” to uphold principles of integrity, confidentiality obligations, and avoidance of conflicts of interest. Various corporate activities are implemented based on the vision of “Prosperous Company, Happy Employees,” thereby fulfilling our corporate social responsibility.

(2) Human Capital

The Company provides an incentive-based compensation system, including performance bonuses and year-end awards, along with well-structured and smooth promotion channels. A safe and healthy working environment is offered, including dedicated nursing rooms for female employees, annual health checkups, health education consultations, and occupational safety and health management to prevent workplace accidents and occupational diseases. A wide variety of employee engagement activities are held, such as departmental dinners, year-end banquets, domestic and international employee trips, birthday celebrations, and partner store discounts.

(3) Environmental Management

Regular maintenance of water, electricity, and air conditioning equipment is conducted annually to optimize energy efficiency and reduce carbon emissions. Environmental measures across factory sites include waste sorting, food waste recycling, and scrap material recycling. Rooftop and ground-mounted solar power systems have been installed at various plants. The Company actively promotes environmental protection policies and strives to raise environmental awareness among all employees.

(4) Social Contribution

During traditional holidays, the Company collaborates with social welfare organizations to purchase gift boxes for employees. In addition, the Company donates its solar modules and systems to charitable institutions, with TaiChi responsible for 20 years of ongoing maintenance.

In 2024, TaiChi’s subsidiary Vietnergy participated in multiple community welfare efforts:

- In January and September, Vietnergy visited the Vietnam–Korea Disabled Children’s Care Center to deliver gifts and provide meal services, demonstrating sustained care for underprivileged groups.
- In February and August, Vietnergy organized blood donation drives in the Quoc Viet Industrial Park, with strong employee participation. A total of 140 donors contributed 46,100 ml of blood, showcasing the Company’s unity and social responsibility.
- Employees of the Taipei office participated in two blood drives hosted by the Neihu Association. Approximately 33% of Taipei-based staff joined the campaign, donating a total of 9 bags of blood to support people in need.

(5) Labor Relations Management and Information Transparency

Internal Measures: The Company holds regular labor-management meetings on a quarterly basis and conducts performance appraisal

interviews every six months. During these reviews, supervisors and employees jointly evaluate performance and discuss work-related issues. Open communication channels have been established to encourage direct dialogue between employees and management.

External Transparency: The Company provides investors and stakeholders with timely and sufficient operational and financial information through its corporate website and the Market Observation Post System (MOPS).

(6) Product Features

Upholding its commitment to environmental sustainability and energy transition, the Company integrates green principles with technological innovation throughout the product design and development process. It focuses on creating high-performance solar cell products that also deliver environmental benefits, while actively expanding into smart energy storage and electrification application fields.

Note 1: If the implementation status is marked as "Yes," please provide specific descriptions of the key policies, strategies, measures, and actual implementation.

If marked as "No," please explain the differences and reasons in the column titled "Differences from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies," and describe plans for adopting relevant policies, strategies, and measures in the future.

Note 2: The principle of materiality refers to environmental, social, and corporate governance issues that have a significant impact on the company's investors and other stakeholders.

(6) Implementation of Ethical Corporate Management and Explanation of Any Differences from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies

Evaluation Item	States of operation (Note 1)			Deviations from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
1. Formulation of Ethical Corporate Management Policies and Programs				
(1) Has the company established an ethical corporate management policy approved by the Board of Directors, and disclosed such policy and practices in its internal regulations and external documents? Has the Board of Directors and senior management demonstrated commitment to actively implementing the ethical management policy?			(1)The Company has established the Ethical Corporate Management Best Practice Principles and the Ethical Management and Guidelines for Conduct. The Office of the General Manager is designated as the responsible unit for promoting Group-wide ethical corporate management, anti-corruption, anti-bribery, and legal compliance. It submits annual implementation reports to the Board of Directors. The Ethical Corporate Management Best Practice Principles were approved by both the Audit Committee and the Board. The Board fulfills its fiduciary duty to oversee the prevention of unethical behavior and ensure effective implementation of ethical management policies.	No material differences.
(2) Has the company established a risk assessment mechanism for unethical conduct, and does it regularly analyze and assess business activities within its operations that are more susceptible to unethical behavior? Based on such analysis, has the company			(2)To prevent unethical conduct, the Company has implemented the Whistleblowing Procedure for Illegal, Unethical, or Untrustworthy Conduct. All employees are required to commit to avoiding conflicts of interest and upholding business ethics. Through its internal control system, the Company regularly analyzes and assesses business activities with	No material differences.

Evaluation Item	States of operation (Note 1)			Deviations from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
developed preventive programs that at a minimum include preventive measures for the types of conduct listed in Article 7, Paragraph 2 of the “Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies”?			higher risks of unethical behavior to facilitate preventive measures and ensure compliance.	
(3) Does the company’s preventive program clearly specify operating procedures, behavioral guidelines, disciplinary actions for violations, and a grievance mechanism? Are these measures effectively implemented and periodically reviewed and revised?			(3)The Company’s Ethical Corporate Management Best Practice Principles and Ethical Management and Guidelines for Conduct clearly define operational procedures, codes of conduct, disciplinary actions, and grievance mechanisms to prevent unethical conduct. In 2024, all employees signed the Code of Integrity Service, reinforcing the Company’s commitment to ethical conduct. To promote integrity awareness, the Company regularly disseminates its business philosophy through the corporate website and monthly internal campaigns. It also requires suppliers and customers to uphold equivalent ethical standards to cultivate a responsible and values-driven corporate ecosystem.	No material differences.
2. Implementation of Ethical Corporate Management				
(1) Does the company assess the integrity records of its business counterparts and explicitly include integrity-related clauses in contracts signed with such parties?			(1)Before engaging in business transactions, the Company evaluates its counterparties, including their records of ethical conduct, to avoid dealings with parties that have engaged in unethical behavior.	No material differences.

Evaluation Item	States of operation (Note 1)			Deviations from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
			Integrity-related clauses are explicitly included in all formal contracts to ensure mutual compliance.	
(2)Has the company established a dedicated unit under the Board of Directors to promote ethical corporate management, and does this unit report to the Board at least once a year on the implementation of the company's ethical management policies, prevention programs, and oversight activities?			(2)The Company has established the Ethical Management and Guidelines for Conduct, with the Office of the General Manager serving as the designated unit to coordinate the promotion of ethical corporate management across all departments. The unit reports to the Board of Directors at least once a year. The most recent report on the implementation of ethical management policies was presented to the Board on May 8, 2025.	No material differences.
(3)Has the company formulated a conflict-of-interest policy, established appropriate reporting channels, and ensured effective implementation?			(3)When signing employment contracts with new hires, the Company requires employees to pledge not to engage in any illegal or unethical business conduct. In addition, the Company has implemented the Whistleblowing Procedure for Illegal, Unethical, or Untrustworthy Conduct, which provides employees with confidential reporting channels (Phone: 03-4555807; Email: tainergy@tainergy.com).	No material differences.
(4)To ensure ethical corporate management, has the company established effective accounting and internal control systems? Does the internal audit unit formulate audit plans based on risk assessments related to unethical conduct, and audit compliance			(4)The Company has established robust accounting and internal control systems to closely monitor operational risks related to unethical conduct and ensure the implementation of ethical management. The Internal Audit Office conducts periodic audits to assess compliance with these systems.	No material differences.

Evaluation Item	States of operation (Note 1)			Deviations from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
with the ethical management program accordingly, or is such auditing conducted by external accountants?				
(5)Does the company regularly conduct internal and external training on ethical corporate management?			(5)The Company has adopted the Integrity and Confidentiality Clause, which integrates ethical corporate management into the corporate culture. Integrity principles are regularly emphasized during internal meetings to ensure consistent awareness and practice.	No material differences.
3. Operation of the Company's Whistleblowing Mechanism				
(1)Has the company established a concrete whistleblowing and reward mechanism, along with accessible reporting channels and designated personnel responsible for handling cases involving reported individuals?			(1)The Company has established a whistleblowing and reward mechanism, and provides multiple accessible reporting channels. Reports can be submitted in person, via telephone, or in writing. Whistleblowing Hotline: +886-2-2788-3798 ext. 323 Email: tainergy@tainergy.com Online Form: https://www.tainergy.com/stakeholder/report	No material differences.
(2)Has the company formulated standard operating procedures (SOPs) for investigating whistleblowing cases, defined follow-up measures after the investigation is completed, and implemented a confidentiality mechanism?			(2)For incidents involving violations of ethical conduct, the Company convenes a Major Disciplinary Committee, composed of senior executives from various departments, to conduct reviews. In the event of a material breach, the Company shall report to the Board of Directors in accordance with relevant laws and operating procedures, and implement appropriate confidentiality measures throughout the process.	No material differences.

Evaluation Item	States of operation (Note 1)			Deviations from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(3)Has the company adopted protective measures to ensure that whistleblowers do not suffer unfair treatment as a result of making a report?			(3)The Company supports the principle of protecting whistleblowers from any form of unfair treatment as a result of reporting, and is open to developing and implementing additional supporting measures to ensure such protection.	No material differences.
4. Enhancement of Information Disclosure Does the company disclose the contents of its Ethical Corporate Management Best Practice Principles and the implementation results on its official website and the Market Observation Post System (MOPS)?	V		The Company has established an official website to disclose its corporate profile, basic information, and financial data. In addition, it ensures timely, public, and transparent disclosure of company-related information, including the contents of its Ethical Corporate Management Best Practice Principles and the implementation results, through the Market Observation Post System (MOPS) in accordance with relevant regulations.	No differences
5. If the Company has established its own Ethical Corporate Management Best Practice Principles in accordance with the “Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies,” please describe its implementation and any differences: On March 8, 2023, the Company’s Board of Directors approved and proposed the establishment of the Ethical Corporate Management Best Practice Principles and the Ethical Management and Guidelines for Conduct, which were officially adopted by the Shareholders’ Meeting on June 27, 2023. All employees, managerial officers, and members of the Board of Directors are required to fully comply with these principles.				
6. Other Important Information Reflecting the Implementation of Ethical Corporate Management (e.g., communication with business partners, invitations to participate in training, updates to the principles, etc.): The Company will amend or supplement the Ethical Corporate Management Best Practice Principles and the Ethical Management and Guidelines for Conduct as necessary in accordance with its operational development and relevant ethical management regulations.				

Note 1:Regardless of whether the operational status is marked as "Yes" or "No," a summary explanation must be provided in the designated remarks column.

7.Other Important Information That Enhances Understanding of the Company’s Corporate Governance Practices

The Company has established Internal Material Information Handling Procedures, which have been announced to all employees, managers, and directors to prevent violations and insider trading incidents.

8.Implementation Status of the Internal Control System

1.Internal Control System Statement: Please refer to page **.

2.If the internal control system has been reviewed by an external CPA, the CPA's review report should be disclosed: Not applicable.

9. Important Resolutions of the Shareholders' and Board Meetings from the Most Recent Fiscal Year to the Date of the Annual Report Publication

(1). The Company convened its 2024 (Year 113) Annual General Shareholders' Meeting on May 28, 2024, and the following resolutions were passed:

Item	Resolution at Shareholders' Meeting	Execution Status
1	Approval of the 2023 (Year 112) Business Report and Financial Statements	Approved the 2023 Business Report and Financial Statements. Consolidated operating revenue was NT\$2,145,122 thousand; net loss after tax was NT\$190,348 thousand; earnings per share (EPS) was NT\$(0.13).
2	Approval of the 2023 Loss Appropriation Proposal	Due to a tax loss in 2023, in accordance with Company Articles, no employee compensation or directors' remuneration was distributed.
3	Proposal for Private Placement of Common Shares via Capital Increase	Not executed.

(2). Summary of Major Resolutions of the Board of Directors

From January 1, 2024 to the Date of This Annual Report (Board Meeting Held on March 6, 2024)

Meeting No. & Date	Resolution Items	Opinions of Independent Directors / Company Response	Resolution Result
2024-1 2024/03/06	1. Evaluation of the effectiveness of the 2023 internal control system, along with review of the self-assessment and internal audit results	None	Approved by all directors present
	2. Evaluation results and opinion issued by the CPA on the independence and suitability of continued engagement	None	CPAs Lily Huang and Tsung-Yuan Tsai (Deloitte) recused themselves due to a conflict of interest. The resolution was approved unanimously by all

		directors present after the Chair's explanation.
3. Approval of the 2023 business report and financial statements	None	Approved by all directors present
4. Approval of the 2023 employee compensation and directors' remuneration distribution proposal	None	Approved by all directors present
5. Approval of the 2023 loss appropriation proposal	None	Approved by all directors present
6. Evaluation of the reasonableness of the 2023 private placement price	None	Approved by all directors present
7. Proposal for private placement of common shares via cash capital increase	None	Approved by all directors present
8. 2023 related party and major transaction disclosures in accordance with regulations	None	Approved by all directors present
9. Approval of the 2024 budget proposal	None	Approved by all directors present
10. Revision of the Risk Management Policy and Procedures	None	Approved by all directors present
11. Revision of the Compensation Committee Charter	None	Approved by all directors present
12. Revision of the Rules for Self-Evaluation of Board Performance	None	Approved by all directors present
13. Partial amendments to the Rules of Procedure for Board Meetings	None	Approved by all directors present
14. Convening of the 2024 Annual Shareholders' Meeting and related matters involving shareholders holding more than 1% of shares	None	Approved by all directors present
15. Proposal for financial institution credit facility extension / increase	None	Approved by all directors present
16. Approval of the case where the Company's subsidiary, TAISIC MATERIALS CORP., applies for a new credit facility with Taipei Fubon Bank	None	Approved by all directors present

	17.Assessment of whether the credit facility application falls under material financial transactions not in the course of ordinary business operations (including other credit lines, prepayments, or certificate of deposit pledges)	None	Approved by all directors present
2024-2 2024/05/3	1.Approval of the consolidated financial statements for Q1 2024	None	Approved by all directors present
	2.Proposal for financial institution credit facility extension / increase	None	Approved by all directors present
	3.Approval of the case where the Company's subsidiary, TAISIC MATERIALS CORP., applies for a new credit facility with Chang Hwa Bank	None	Approved by all directors present
	4.Approval of the case where the Company's subsidiary, TAI VISION CO., LTD., applies for a new credit facility with Mega Bank	None	Approved by all directors present
	5.Assessment of whether the credit facility application falls under material financial transactions not in the course of ordinary business operations (including other credit lines, prepayments, or certificate of deposit pledges)	None	Approved by all directors present
2024-3 2024/08/2	1.Replacement of the Company's signing CPA and evaluation of CPA independence and suitability	None	After explanation and recusal by both outgoing and incoming CPAs, the resolution was unanimously approved by all directors present.
	2.Approval of the consolidated financial statements for Q2 2024	None	Approved by all directors present
	3.Approval of the 2023 sustainability report	None	Approved by all directors present
	4.Approval of the case where the Company's subsidiary, TAISIC MATERIALS CORP., applies for a new credit facility with Mega Bank	None	Approved by all directors present
	5.Approval of the case where the Company's subsidiary, TAI VISION CO., LTD., applies for a new credit facility with Chang Hwa Bank	None	Approved by all directors present

	6. Guarantee by the Company for Vietenergy Co., Ltd. in the amount of USD 25 million	None	Approved by all directors present
	7. Assessment of whether the credit guarantee falls under material financial transactions not in the course of ordinary business operations (including other credit lines, prepayments, or certificate of deposit pledges)	None	Approved by all directors present
2024-4 2024/11/5	1. Approval of the consolidated financial statements for Q3 2024	None	Approved by all directors present
	2. Review of the Company's policy, system, standards, and structure for performance evaluation and compensation of directors and managers	None	Approved by all directors present
	3. Discussion on the principles for year-end bonus distribution for managers (113th fiscal year)	None	Approved by all directors present
	4. Approval of the 2025 (114th year) annual audit plan	None	Approved by all directors present
	5. Establishment of the "Sustainability Information Management Policy" and its inclusion in the internal control system	None	Approved by all directors present
	6. Ratification of derivative financial transactions conducted for trading purposes	None	Approved by all directors present
	7. Proposal to lend USD 2 million to subsidiary Vietenergy Co., Ltd.	None	Approved by all directors present
	8. Proposal to lend NT\$120 million to subsidiary TAISIC MATERIALS CORP.	None	Approved by all directors present
	9. Proposal to lend NT\$75 million to subsidiary TAI VISION CO., LTD.	None	Approved by all directors present
	10. Application for extension/increase of the credit facility line with Hua Nan Bank Nangang Branch	None	Approved by all directors present
	11. Evaluation of whether the Company's overdue accounts receivable and other non-operating items (including "other receivables," "prepayments," and "deposits out") constitute the nature of fund lending	None	Approved by all directors present

10. Whether Any Director or Supervisor Expressed a Dissenting Opinion or Submitted a Written Statement Regarding Major Board Resolutions Passed During the Most Recent Fiscal Year and Up to the Date of the Annual Report: None.

TAINERGY TECH CO., LTD.

Statement on Internal Control System

Date: March 6, 2025

Based on the results of self-assessment, the Company hereby makes the following statement regarding the internal control system for the year 2024 (113th fiscal year):

1. The Company acknowledges that the establishment, implementation, and maintenance of an internal control system are the responsibility of the Board of Directors and management. The Company has duly established such a system to provide reasonable assurance for the achievement of the following objectives: operational effectiveness and efficiency (including profitability, performance, and asset security), reliability, timeliness, and transparency of reporting, as well as compliance with applicable regulations and laws.
2. Internal control systems have inherent limitations. Regardless of how well-designed they may be, even an effective internal control system can only provide reasonable assurance for achieving the above objectives. Furthermore, the effectiveness of an internal control system may change due to evolving circumstances. However, the Company has implemented a self-monitoring mechanism, and corrective actions are promptly taken upon identification of any deficiencies.
3. The Company has assessed the design and implementation of the internal control system based on the criteria set out in the “Regulations Governing the Establishment of Internal Control Systems by Public Companies” (hereinafter referred to as the “Regulations”). According to the Regulations, internal control is composed of five elements: (1) Control Environment, (2) Risk Assessment, (3) Control Activities, (4) Information and Communication, and (5) Monitoring Activities. Each element includes several components, as specified in the Regulations.
4. The Company has used the above-mentioned criteria to evaluate the effectiveness of the design and execution of its internal control system.
5. Based on the results of the aforementioned assessment, the Company believes that, as of December 31, 2024, its internal control system (including oversight and management of subsidiaries) was effectively designed and implemented in all material aspects. This includes controls relating to operational efficiency, reliability and timeliness of reporting, transparency, and compliance with applicable laws and regulations. The system is capable of reasonably ensuring the achievement of the aforementioned objectives.
6. This Statement shall be disclosed publicly and included in the Company's Annual Report and Prospectus. If any part of this disclosure is found to contain

falsehoods or omissions, it may involve legal liabilities under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

7. This Statement was approved by the Board of Directors at a meeting held on March 6, 2025, with all 7 attending directors expressing no objections and unanimously agreeing to the content herein.

TAINERGY TECH CO., LTD.

Chairman: Ching-Fu Hsieh Signature

President: Yi-Kuang Chen Signature

4. Certified Public Accountant (CPA) Fees Information

(1) CPA Fee Details

Amount Unit:
NT\$ Thousand

CPA Firm Name	CPA Name(s)	Audit Period	Audit Fees	Non-Audit Fees	System Design	Business Registration	Human Resources	Others (Note)	Subtotal	Total	Remarks
Deloitte & Touche	Lily Huang	2024/01/01	3,060	-	-	-	-	249	249	3309	Non-audit: Others – IFRS advisory NT\$2,000k, internal control maintenance NT\$240k, travel NT\$250k
	Alice Liu	2024/03/31									
	Lily Huang	2024/04/01 2024/12/31									
	Tsung-Yuan Tsai										
	Alice Liu										2024/01/01 2024/12/31
	Lily Huang	1,000									

Note: If a company has changed CPA firms or CPAs during the year, the audit period must be disclosed separately. Notes must explain the reasons for the change and whether disclosed non-audit services relate to audit matters.

(2) If a change of CPA firm resulted in lower audit fees than the prior year, disclose the reduced amount, proportion, and reasons:None.

(3) If audit fees decreased by 20% or more from the previous year, disclose the reduced amount, proportion, and reasons:None.

5. CPA Replacement Information

Year	Position	CPA Firm Name	CPA Name(s)	Reason for Replacement
2024	Outgoing	Deloitte & Touche	Lily Huang, Jih-Jui Chin	Internal personnel adjustment within the firm
	Successor		Lily Huang, Alice Liu	
2024 Q2	Outgoing		Lily Huang, Alice Liu	

	Successor		Lily Huang, Tsung-Yuan Tsai	
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6. Whether Any Director, President, Financial Officer, or Accounting Officer Has Held a Position at the CPA Firm or Its Affiliates in the Past Year :None.

7. Changes in Shareholding, Pledge, and Transfer Status of Directors, Supervisors, and Managers Holding More Than 10% of Company Shares (Up to Annual Report Print Date)

(1) Shareholding Changes of Directors, Supervisors, and Managers Holding More Than 10% of Shares

Position	Name	Shareholding Changes (2024)	Pledged Share Changes (2024)	Shareholding as of Mar 31, 2025	Pledged Shares as of Mar 31, 2025
Institutional Shareholder (10%+)	Chien-Lien Investment Co., Ltd.	—	—	—	—
Representative	Ching-Fu Hsieh	—	—	—	—
Representative	Li-Yuan Shen	—	—	—	—
Director	Chien-Hao Chen	—	—	—	—
Director	Ming-Chih Hsieh	—	—	—	—
Independent Director	Liang-Jen Kuan	—	—	—	—
Independent Director	Chia-Hsuan Wang	—	—	—	—
Independent Director	Kuan-Yu Tsai	—	—	—	—
CEO	Ching-Fu Hsieh	—	—	—	—
President	Yi-Kuang Chen	—	—	—	—
CFO	Hsiu-Chun Yu	—	—	—	—

(2) Are any share transfers or pledges made by individuals holding more than 10% of shares to related parties? None.

(3) Are any shares held by individuals with more than 10% of ownership pledged to related parties? None.

8. Top 10 Shareholders by Shareholding Ratio and Their Relationships (as of March 29, 2025)

As of March 29, 2025; Unit: Shares / %

Name	Personally		Spouse/Minor Children		Under Others' Names		If any are related parties, spouses, or within second-degree kinship, their names and relationships must be disclosed. (Note 3)	
	Shares Held	% Held	Shares Held	% Held	Shares Held	% Held	Representative / Related Party	Relationship
KENMEC MECHANICAL ENGINEERING CO., LTD.	61,132,856	27.17%	—	—	—	—	Representative: Shun-Cheng Investment Co., Ltd.	Same person
Mega Bank Custody for Fuh Hwa Emerging Markets Fund	1,113,363	0.49%	—	—	—	—	—	—
Chang Hsiu-Hsiang	1,079,000	0.48%	—	—	—	—	—	—
Chen Chin-Hsiang	1,074,000	0.48%	—	—	—	—	—	—
Lin Wei-Teng	900,000	0.40%	—	—	—	—	—	—
Wu Su-Chen	863,845	0.38%	—	—	—	—	—	—
Hua Nan Commercial Bank SBL/PB Account	800,000	0.36%	—	—	—	—	—	—
Shun-Cheng Investment Co., Ltd.	780,189	0.35%	—	—	—	—	Representative: KENMEC MECHANICAL ENGINEERING CO., LTD.	Same person
Tsai Hsiu-Lin	750,000	0.33%	—	—	—	—	—	—

Note 1: All top 10 shareholders shall be listed. For institutional shareholders, both the entity name and the representative's name shall be disclosed separately.

Note 2: Shareholding percentages shall include shares held under the shareholder's own name, as well as those held by the shareholder's spouse, minor children, or under others' names.

Note 3: For both institutional and individual shareholders listed above, any relationships among them shall be disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

9. Shareholding and Combined Holding Ratio of the Company and Its Directors, Supervisors, and Managers in the Same Investee Companies

As of March 31, 2025 / Unit: Shares / %

Investee Company	Direct Investment by the Company		Investment by Directors, Supervisors, and Managers		Total Combined Investment	
	Shares	% Held	Shares	% Held	Shares	% Held
Tainergy Tech Holding (SAMOA) Co., Ltd.	–	100.00%	–	–	–	100.00%
Tainergy Tech (Kunshan) Co., Ltd.	–	–	–	100.00%	–	100.00%
Kunshan Sensic Electronic Materials Co.,	–	–	–	100.00%	–	100.00%
Suzhou Guangxin Optoelectronics Development Co., Ltd.	–	–	–	31.75%	–	31.75%
Star Solar New Energy Co., Ltd.	500,000	35.71%	50,000	3.57%	550,000	39.29%
VIETENERGY Co., Ltd.	–	100.00%	–	–	–	100.00%
TAISIC MATERIALS CORP.	29,599,460	42.28%	6,521,200	9.32%	36,120,660	51.60%
TAI VISION CO., LTD.	2,400,000	80.00%	–	–	2,400,000	80.00%
Thuntech Co., Ltd.	500,000	100.00%	–	–	500,000	100.00%

Note 1: Investments accounted for using the equity method.

Note 2: Shareholding figures are based on the most recent share transfer suspension date prior to the reporting date.

Note 3: "–" indicates that the investee is a limited liability company (LTD) and no share count is applicable.

III. Capital Formation

1. Source of Capital

1. History of Capital Formation:

(1). Formation of capital: Changes in capital for the most recent year and up to the date of publication of the annual report.

Unit: Shares / NT\$

Date (Y.M)	Issue Price	Authorized Capital		Paid-in Capital		Source of Capital	Paid by Others (non-cash)	Notes
		Shares	Amount	Shares	Amount			
2007.05	10	100,000,000	1,000,000,000	500,000	5,000,000	Company establishment capital	None	Note 1
2007.1	25	100,000,000	1,000,000,000	53,988,000	539,880,000	Cash injection	None	Note 2
2008.03	25	100,000,000	1,000,000,000	70,000,000	700,000,000	Cash injection	None	Note 3
2009.07	10	100,000,000	1,000,000,000	80,500,000	805,000,000	Earnings capitalization	None	Note 4
2009.12	25	100,000,000	1,000,000,000	82,500,000	825,000,000	Cash injection	None	Note 5
2010.06	10	100,000,000	1,000,000,000	90,750,000	907,500,000	Employee stock subscription plan	None	Note 6
2010.07	35	150,000,000	1,500,000,000	100,750,000	1,007,500,000	Cash injection	None	Note 7
2010.12	40	150,000,000	1,500,000,000	120,750,000	1,207,500,000	Cash injection	None	Note 8
2011.08	21.50	150,000,000	1,500,000,000	133,970,000	1,339,700,000	Cash injection	None	Note 9
2011.1	10	150,000,000	1,500,000,000	146,450,000	1,460,450,000	Earnings capitalization	None	Note 10
2012.04	15	250,000,000	2,500,000,000	236,045,000	2,360,450,000	Cash injection	None	Note 11

2013.12	19	250,000,000	2,500,000,000	231,045,000	2,310,450,000	Capital reduction with cash refund	None	Note 12
2014.05	22.95	300,000,000	3,000,000,000	276,545,000	2,765,450,000	Cash injection	None	Note 13
2016.04	17.34	400,000,000	4,000,000,000	316,545,000	3,165,450,000	Cash injection	None	Note 14
2016.05	17.33	400,000,000	4,000,000,000	356,545,000	3,565,450,000	Cash injection	None	Note 15
2019.08	10	400,000,000	4,000,000,000	200,000,000	2,000,000,000	Capital reduction to cover loss	None	Note 16
2021.09	29.10	500,000,000	5,000,000,000	225,000,000	2,250,000,000	Cash injection	None	Note 17

Note 1: Approved registration date: Fu-Jian-Shang-Zi No. 09684603100 on May 14, 2007.

Note 2: Approved registration date: Jing-Shou-Shang-Zi No. 09601250830 on October 15, 2007.

Note 3: Approved registration date: Jing-Shou-Shang-Zi No. 09701076500 on March 28, 2008.

Note 4: Approved registration date: Jing-Shou-Shang-Zi No. 09801154590 on July 16, 2009.

Note 5: Approved registration date: Jing-Shou-Shang-Zi No. 09801285360 on December 11, 2009.

Note 6: Approved by the Financial Supervisory Commission with the order letter: Jin-Guan-Zheng-Fa-Zi No. 0990024645 dated May 14, 2010; Approved registration date: Jing-Shou-Shang-Zi No. 09901131420 on June 24, 2010.

Note 7: Approved by the Financial Supervisory Commission with the order letter: Jin-Guan-Zheng-Fa-Zi No. 0990001371 dated January 26, 2010; approved by the Financial Supervisory Commission with the order letter: No. 0990008548 dated February 26, 2010; approved by the Financial Supervisory Commission with the order letter: No. 0990028586 dated June 2, 2010; approved registration date: Jing-Shou-Shang-Zi No. 09901172870 on July 30, 2010.

Note 8: Approved by the Financial Supervisory Commission with the order letter: Jin-Guan-Zheng-Fa-Zi No. 0990053764 dated October 5, 2010; approved by the Financial Supervisory Commission with the order letter: Jin-Guan-Zheng-Fa-Zi No. 0990059380 dated November 10, 2010; Approved registration date: Jing-Shou-Shang-Zi No. 10001009360 on January 17, 2011.

Note 9: Approved by the Financial Supervisory Commission with the order letter: Jin-Guan-Zheng(1) Zi No. 1000032822 dated July 14 2011; Approved registration date: Jing-Shou-Shang-Zi No. 10001200240 on August 26, 2011.

Note 10: Approved by the Financial Supervisory Commission with the order letter: Jin-Guan-Zheng-Fa-Zi No. 1000044437 dated September 14, 2011; Approved registration date: Jing-Shou-Shang-Zi No. 10001248890 on October 31, 2011.

Note 11: Approved by the Financial Supervisory Commission with the order letter: Jin-Guan-Zheng-Fa-Zi No. 1010000994 dated February 2, 2012; Approved registration date: Jing-Shou-Shang-Zi No. 10101058810 on April 6, 2012.

Note 12: Approved registration date: Jing-Shou-Shang-Zi No. 10201243560 on November 29, 2013.

Note 13: Approved by the Financial Supervisory Commission with the order letter: Jin-Guan-Zheng-Fa-Zi No. 1030007417 dated March 21, 2014; Approved registration date: Jing-Shou-Shang-Zi No. 10301072450 on April 22, 2014.

Note 14: Approved by the Financial Supervisory Commission with the order letter: Jin-Guan-Zheng-Fa-Zi No. 1040013073 dated April 27, 2015; Approved registration date: Jing-Shou-Shang-Zi No. 10401103350 on June 4, 2015.

Note 15: Approved by the Financial Supervisory Commission with the order letter: Jin-Guan-Zheng-Fa-Zi No. 1050008133 dated March 25, 2016; Approved registration date: Jing-Shou-Shang-Zi No. 10501095630 on May 11, 2016.

Note 16: Approved by the Financial Supervisory Commission with the order letter: Jin-Guan-Zheng-Fa-Zi No. 1080335179 dated November 14, 2019; Approved registration date: Jing-Shou-Shang-Zi No. 1080335179 on December 9, 2019.

Note 17: Approved by the Financial Supervisory Commission with the order letter: Jin-Guan-Zheng-Fa-Zi No. 1100348965 dated July 30, 2021; Approved registration date: Jing-Shou-Shang-Zi No. 11001195880 on November 26, 2021.

(2).Types of shares

Unit: Shares

Types of shares	Authorized capital stock			Remarks
	Outstanding shares	Unissued shares	Total	
Registered stocks	225,000,000 (Note 1)	275,000,000	500,000,000 (Note 2)	Listed stocks

Note 1: Including 14,023,475 shares of private placement stock.

Note 2: 2,000,000 shares are for the subscription of stock warrants, preferred shares with stock options or stock option bonds.

(3).General information about the reporting system:None.

2.List of Major Shareholders :

(Shareholders with holdings of 5% or more or among the top 10 shareholders)
As of March 29, 2025

Major Shareholder	Shares Held	% Held
KENMEC MECHANICAL ENGINEERING CO., LTD.	61,132,856	27.17%
Mega Bank Custodian for Fuh Hwa Emerging Markets Fund	1,113,363	0.49%
Shih Miao-Hsueh	1,079,000	0.48%
Chen Chin-Hsiang	1,074,000	0.48%
Lin Wei-Teng	900,000	0.40%
Wu Su-Wen	863,845	0.38%
Hua Nan Securities Finance SBL/PB Account	800,865	0.36%
Chang Po-Wen	800,000	0.36%
SHUN SHENG INVESTMENT CO., LTD.	780,189	0.35%
Tsai Hsiu-Lin	750,000	0.33%

Note: The above data is based on the most recent share transfer suspension date.

3.Dividend Policy and Implementation

(1). Dividend Policy as Stated in the Company's Articles of Incorporation:

To strengthen capital and support long-term financial planning, the Company adopts a residual dividend policy, taking into account retained earnings needed for growth and investment. The policy aims for stable and balanced distributions, and where earnings allow, no less than 20% of annual net income shall be distributed as dividends. The

form and amount of actual distribution are subject to shareholder resolution based on the Company's financial condition.

Dividends may be distributed in the form of cash, stock, or a combination of both. The cash portion shall not be less than 10% of total dividends, but the Board of Directors may recommend adjustments based on future capital needs.

(2). Dividend Distribution in the Most Recent Fiscal Year:

As resolved by the Board on March 6, 2025, no dividend (cash or stock) or employee/board compensation was distributed for FY2024, due to the Company's accumulated losses.

4. Effect of This Year's Stock Distribution on Operational Results and EPS

Not applicable, as no stock was distributed without consideration.

5. Remuneration for Employees, Directors, and Supervisors

(1). Basis and Range of Distribution

According to the Articles of Incorporation, if the Company generates net income for the year, and after covering tax liabilities and prior losses, 10% of net profit shall be allocated as employee compensation, and a portion as directors' and supervisors' remuneration, subject to regulatory approval.

The Board shall propose a profit distribution plan to the shareholders' meeting for approval.

- Employee compensation: 5%–15% of pre-tax net income
- Directors/supervisors remuneration: 1%–3% of pre-tax net income
- Employee compensation recipients may include non-current employees who meet specific criteria

(2). Calculation Method and Adjustments

Employee/director/supervisor compensation is calculated either in cash or stock. Stock-based compensation is calculated using the actual number of shares distributed. If any variance arises between the estimated and actual amounts, it will be accounted for as a change in accounting estimate and adjusted retrospectively.

(3). Current Year Implementation

- (1) There was no difference between the approved compensation and the financial statements. → No adjustment required.
- (2) No employee compensation was distributed in shares, hence no share-based variance. → Not applicable.

(4). Previous Year Implementation

In the previous fiscal year, there was no variance between approved amounts and actual employee/director/supervisor compensation recognized in the financial statements.

6. Repurchase of the Company's Own Shares: → None.

- 2. Debt Processing Status→ None.**
- 3. Preferred Shares Issuance→ None.**
- 4. Overseas Depositary Receipts→ None.**
- 5. Employee Stock Option Certificates→ None.**
- 6. Issuance of New Restricted Employee Shares→ None.**
- 7. Issuance of New Shares for Merger or Acquisition→ None.**
- 8. Status of Capital Utilization Plans→ None.**

IV. Business Overview

1. Business Activities

(1) Scope of Business

1. Main Lines of Business

- (1) Solar cell manufacturing
- (2) Power generation, transmission, and distribution equipment manufacturing
- (3) Electronic component manufacturing
- (4) Energy technical services
- (5) International trade
- (6) Research, development, design, manufacturing, and sales of the following:
 - A. Solar cells and related systems
 - B. Solar power modules
 - C. International trade of products related to the above-mentioned items
- (7) Other businesses not prohibited or restricted by laws and regulations.

2. Business Model

The Company is mainly engaged in the following business activities:

Unit: NT\$ thousand

Major Product Category	2023		2024	
	FY2023 Revenue	%	Revenue	%
Solar Cells	2,107,178	98.23%	309,000	84.03%
Solar Modules	589	0.03%	1,114	0.30%
Others	37,355	1.74%	57,632	15.67%
Total	2,145,122	100.00%	367,746	100.00%

3. Products and Services

The Company's current offerings include: Solar cell R&D, manufacturing, sales, and OEM/ODM system integration services.

4. New Product Development

To stay ahead in solar energy innovation, the Company actively develops high-efficiency solar cells and modules to provide customers with differentiated and high-value solutions.

(1). Bifacial Solar Cells

Utilizes low-angle reflection and rear-side energy harvesting to enhance generation efficiency under diffused or reflected light (e.g., snow, white rooftops, light-colored ground surfaces). These modules contribute to higher energy output and increased investment return rates.

(2). Back-Contact Solar Cells

By relocating all electrodes to the rear, the design eliminates front-side shading and enhances power output and appearance. These modules reduce resistance losses and improve efficiency and aesthetics, making them suitable for high-end rooftops and premium markets.

(2) Industry Overview

1. Industry Status and Development

The solar energy industry is a key pillar in the development of global renewable energy. In recent years, driven by environmental policies, technological advancements, and declining production costs, the solar sector has experienced rapid growth.

According to the International Energy Agency (IEA), by 2023, the total global installed solar PV capacity exceeded 1,000 GW, and is projected to continue rising rapidly, potentially surpassing 3,000 GW by 2030.

Government support through subsidy programs and policy targets is accelerating this trend. For example, the U.S. Inflation Reduction Act (IRA) has significantly subsidized green energy, boosting demand in the U.S. market. However, trade policy tensions affecting Chinese and Southeast Asian solar imports have introduced uncertainty. Additionally, former U.S. policies (e.g., during the Trump administration) created headwinds for Chinese solar exports.

China remains the world's largest solar market in terms of production and installation capacity. In 2023, oversupply and aggressive price competition among major brands and new players led to a steep decline in module prices and gross margins, severely pressuring most solar firms and impacting global markets.

In Europe, the European Green Deal continues to promote energy transition through regional policy support and regulatory expansion. However, high inventories and low Chinese import prices remain a challenge. India, meanwhile, continues to promote domestic solar manufacturing and may raise import tariffs to reduce dependence on Chinese goods and enhance self-reliance.

2. Industry Value Chain – Upstream, Midstream, Downstream

The solar energy industry can be broadly divided into the following sectors:

(1). Upstream (Raw Materials & Wafers):

Includes production of polysilicon, monocrystalline silicon, and wafers.

China holds the dominant share in both global supply and market demand, accounting for approximately 76%–96% of the total.

(2). Midstream (Cell & Module Manufacturing):

Includes the processing of solar cells and module assembly.

Mainstream technologies include PERC, TOPCon, and HJT.

China and Taiwan are major players, with China leading in market share.

Cell and module efficiency ranges approximately from 76% to 83%.

(3). Downstream (System Integration & Installation):

Includes power plant construction and distributed or rooftop system installations.

Main markets: China, United States, Europe, and India.

3. Product Development Trends

(1). High-Efficiency Technologies:

TOPCon remains the mainstream technology, but HJT and BC (Back Contact), as well as perovskite, are emerging as the next-generation high-efficiency solutions.

(2). Solar + Storage Integration:

With growing demand for distributed renewable energy, solar power systems integrated with storage are becoming more common.

(3). Heterojunction (HJT) and Back Contact Cells:

HJT has gained attention for its high efficiency and low temperature coefficient, while BC offers low cost, high yield, and potential for efficiency breakthroughs.

(4). Distributed Application Penetration:

Household rooftop PV systems and commercial-scale distributed generation continue to grow, especially in price-sensitive regions.

(5). Module Recycling:

The solar industry has entered a phase of equipment replacement. Recycling of older modules and materials (e.g., aluminum frames, glass, silicon, and EVA) is becoming increasingly important.

4. Competitive Landscape

(1). China's Dominance:

Chinese firms possess absolute cost and scale advantages, holding over 70% of global market share across the PV supply chain.

(2). U.S. Domestic Strategy:

The U.S. is pushing for local manufacturing and reducing dependency on China, supported by subsidies and trade barriers. However, the country still relies heavily on imported materials like silicon wafers and cell components in the short term.

(3). India's Opportunities and Challenges:

India is building a domestic PV supply chain and aiming to reduce Chinese imports. Subsidies and tariffs are in place to improve competitiveness.

(4). Europe's Push for Energy Independence:

Europe is working to reduce its reliance on Asian supply and rebuild local industries, but production efficiency and cost competitiveness remain to be seen.

Summary:The global solar market will continue its rapid growth, but policy shifts, demand trends, and technological advancement will shape the future competitive landscape.

(3).Technology and R&D Overview

1. Technical Foundation of Core Operations

The Company has introduced automated solar cell production lines sourced from top domestic and foreign suppliers and built strong R&D capacity backed by experienced management and engineering teams. Rapid innovation and conversion efficiency are key targets to enhance performance and lower costs.

To maintain a leading position, the Company has established an R&D lab focused on developing new-generation high-efficiency solar cells. The Company has successfully mass-produced **TOPCon** cells and is expanding **PERC** production, while continuing to explore **HJT** and **BC** next-generation technologies.

It also actively engages in partnerships with local and international academia, institutes, and government-sponsored programs to strengthen its innovation pipeline and long-term technical capabilities.

2. R&D Development

The Company continues to focus on the research and innovation of crystalline silicon solar cell technologies, aiming to enhance conversion efficiency and production yield. The major R&D plans are summarized as follows:

Technology Area	Development Focus
Process Technology Optimization	01. Structural integration and innovation technology 02. Metal contact optimization 03. Laser-induced surface structure patterning
New Product Development	01. Ultra-thin silicon wafer technology 02. High-transmission passivation layer development 03. Micro-nano composite surface texturing
New Material Applications	01. Additive development for textured surface treatment of silicon wafers 02. Composite electrode materials using metal grids 03. New backsheet layout and pattern design

3. R&D Personnel and Educational Background

Solar cell production integrates cross-disciplinary technologies across the electronics, power, construction, PCB, semiconductors, and energy sectors. The Company's R&D team comprises professionals with extensive

experience in manufacturing, facilities, electricity, production, and engineering management. The educational background of R&D staff is as follows:

Education Level	2023 Year-End		2024 Year-End		Q1 2025	
	Headcount	%	Headcount	%	Headcount	%
PhD	4	5.88	4	8.16	4	11.43
Master's	10	14.71	10	20.41	11	31.43
Bachelor/Junior College	54	79.41	35	71.43	20	57.14
Total	68	100	49	100	35	100

4. R&D Expenditure over the Past 5 Years

Unit: NT\$ thousand; %

Year	R&D Expenditure	Net Revenue	R&D/Revenue Ratio
2020	39,186	2,194,280	1.79%
2021	92,041	1,584,431	5.81%
2022	156,923	2,221,436	7.06%
2023	192,927	2,145,122	8.99%
2024	175,533	367,746	47.73%

Source: Audited consolidated financial reports signed by CPA

5. Technical Milestones and Product Outcomes

As technological competition intensifies within the solar energy industry, conversion efficiency has become a critical indicator of solar cell development.

The Company's R&D team remains focused on improving conversion efficiency, optimizing manufacturing processes, and developing high-efficiency, cost-effective products to strengthen market competitiveness and expand its product portfolio.

To achieve a more comprehensive product lineup, the Company leveraged its existing process technologies and engineering workforce to successfully develop over 182 types of solar cells.

In addition, the Company has successfully developed and launched high-efficiency PID- and LID-FREE solar cells and modules, which have passed IEC 62804, TÜV, UL, and PI-BERLIN international certification standards. The Company has also implemented distributed printing technology and introduced products with superior cost competitiveness.

Summary of the Company's historical average conversion efficiency R&D achievements is provided below.

Year	R&D Results
2008	6" multicrystalline solar cell avg. efficiency increased to 15.8%
2009	6" multicrystalline solar cell avg. efficiency increased to 16.1%
	6" black multicrystalline solar cell avg. efficiency increased to 16.0%
2010	6" multicrystalline solar cell avg. efficiency increased to 16.5%
	6" black multicrystalline solar cell avg. efficiency increased to 16.3%
2011	6" multicrystalline solar cell avg. efficiency increased to 17.1%
	6" black multicrystalline solar cell avg. efficiency increased to 17.4%
	6" high-efficiency multicrystalline solar cell avg. efficiency increased to 17.8%
	6" mono solar cell avg. efficiency increased to 18.2%
2012	6" multicrystalline PIDFREE cell avg. efficiency increased to 17.6%
	6" high-efficiency multicrystalline solar cell avg. efficiency increased to 18.2%
	6" black multicrystalline solar cell avg. efficiency increased to 17.6%
	6" ultra-high-efficiency multicrystalline solar cell avg. efficiency increased to 18.0%
	6" mono solar cell avg. efficiency increased to 18.64%
	6" high-efficiency mono solar cell avg. efficiency increased to 19.2%
	6*10 multicrystalline module max power output increased to 260W
2013	6" multicrystalline PIDFREE cell avg. efficiency increased to 18.0%
	6" high-efficiency multicrystalline solar cell avg. efficiency increased to 18.4%
	6" black multicrystalline solar cell avg. efficiency increased to 17.6%
	6" ultra-high-efficiency multicrystalline solar cell avg. efficiency increased to 18.2%
	6" mono solar cell avg. efficiency increased to 18.8%
	6" high-efficiency mono solar cell avg. efficiency increased to 19.6%
	6*12 high-efficiency multicrystalline module max power output increased to 320W
2014	Developed specialized groove-type steel electrode solar cell technology project
	6" multicrystalline PID solar cell avg. efficiency increased to 18.0%
	6" black multicrystalline PID solar cell avg. efficiency increased to 19.6%
	6" mono PERC solar cell avg. efficiency increased to 18.5%
	6" mono PERC solar cell avg. efficiency increased to 20.2%
	6*10 high-efficiency module max output reached 280W

	Passed dual 8596-hour Potential Induced Degradation (PID) stress test certification
2015	Developed 4BB new product
	Painted dual-sided solar cell development project approved
2016	6" multicrystalline PID solar cell avg. efficiency increased to 18.2%
	6" mono PID solar cell avg. efficiency increased to 19.8%
	6" mono PERC solar cell avg. efficiency increased to 19.0%
	6" mono PERC solar cell avg. efficiency increased to 20.4%
	6" black mono PERC solar cell avg. efficiency increased to 18.6%
	6" multicrystalline PID solar cell avg. efficiency increased to 18.5%
2017	6" mono PID solar cell avg. efficiency increased to 20.1%
	6" mono PERC solar cell avg. efficiency increased to 19.4%
	6" mono PERC solar cell avg. efficiency increased to 21.1%
	6*10 multicrystalline high-efficiency module VPC-275W certified
	6*10 mono high-efficiency module VPC-290W certified
2018	6" multicrystalline PID solar cell avg. efficiency increased to 18.6%
	6" mono PID solar cell avg. efficiency increased to 20.9%
	6" mono PERC solar cell avg. efficiency increased to 20.4%
	6" mono PERC solar cell avg. efficiency increased to 21.8%
	6*10 multicrystalline module VPC-305W certified
	6*12 multicrystalline module VPC-375W certified
2019	6" multicrystalline PID solar cell avg. efficiency increased to 18.82%
2020	158.75mm double-sided mono solar cell avg. efficiency increased to 22.80%, rear-side efficiency > front-side 70%
2021	9BB, NoBusbar differentiated product developed
	M6Cell double-sided production initiated
2022	150um thin wafer introduction
	9BB double-sided solar cell
	MWT back contact solar cell
2023	M10+ large-size solar cell
	10BB double-sided solar cell
2024	MWT back contact solar cell

(4).Short- and Long-Term Business Development Plans

To ensure sustainable growth, the Company actively seeks to expand its solar cell and module markets by scaling up production, lowering costs, improving quality, increasing market share, and developing new market segments.

1. Short-Term Strategies

- (1). Enhance production equipment and technical capabilities to replace outdated systems with more efficient alternatives and absorb excess market capacity when necessary.
 - (2). Actively expand into differentiated product markets.
 - (3). Promote OEM/ODM processing partnerships to avoid excessive capital investment.
 - (4). Continue exploring cost reduction strategies.
2. Long-Term Strategies
- (1). Address U.S. trade regulations targeting Southeast Asia, including anti-dumping and countervailing duty measures. Focus on global market shifts and assess the feasibility of production deployment in low-risk regions.
 - (2). Integrate upstream and downstream resources across the industry to jointly develop markets.
 - (3). Deepen partnerships with U.S. end-customers for broader and more strategic collaboration.

2. Market and Sales Overview

(1) Market Analysis

1. Sales by Region

Unit: NT\$ thousand; %

Sales Region	FY2023		FY2024	
	Revenue	%	Revenue	%
Taiwan	133,848	6.24%	88,102	23.96%
China (incl. HK)	534,311	24.91%	86,876	23.62%
Vietnam	88,895	4.14%	27,289	7.42%
India	23,515	1.10%	12,188	3.31%
US/Canada	1,243,919	57.99%	147,564	40.13%
Other regions	120,634	5.62%	5,727	1.56%
Total	2,145,122	100.00%	367,746	100.00%

2. Market Share

The Company focuses on vertically integrated business operations including R&D and sales of solar cells and modules.

According to global statistics, the global solar PV installation in FY2024 reached approx. 500–600 GW.

The Company's solar-related shipment was 118 MW, corresponding to a

global market share of around 0.02%.

3. Global Supply & Demand Outlook

(1) Rising Demand & Technological Advancement:

Global investments in PV have surged, especially in countries emphasizing energy transition.

TOPCon and high-efficiency technologies are becoming mainstream, while mass production and cost reduction remain key to competitiveness.

(2) Raw Material Constraints:

Raw material prices and logistics remain volatile. Once supply normalizes, energy companies must prepare flexible production plans.

(3) Regional Distribution & Risks:

China remains dominant in supply and pricing, while geopolitical risks increase for localized production in key markets.

(4) Taiwan Production:

Taiwan's advantage lies in niche customization and reliability.

4. Competitive Strategies

(1) Strengthen exports to U.S. and maintain customer trust.

(2) Maintain flexibility to react to order surges or demand fluctuations.

(3) Develop low-cost third-party supply bases (e.g., Vietnam).

(4) Collaborate closely with U.S. clients and distributors.

5. Global Risk Assessment

(1) Favorable Factors:

- Demand rebound, higher quotes for urgent orders.
- TOPCon IP costs dropping; production capacity shifting to PERC.
- U.S. section 113–119 tariffs gradually decreasing.

(2) Unfavorable Factors:

- Over-reliance on Chinese supply chains; tariff barriers remain.
- Market access risks remain if overseas facilities are not established in time.
- Competition from Indian and Southeast Asian OEMs.

(3) Mitigation Plans:

- Work with U.S. DOC and ITC to maintain favorable status.
 - Consider joint ventures and contract manufacturing abroad.
 - Expand product line to strengthen customer relationships.
-

(2). Applications & Use Cases of Key Products

1. Core Applications

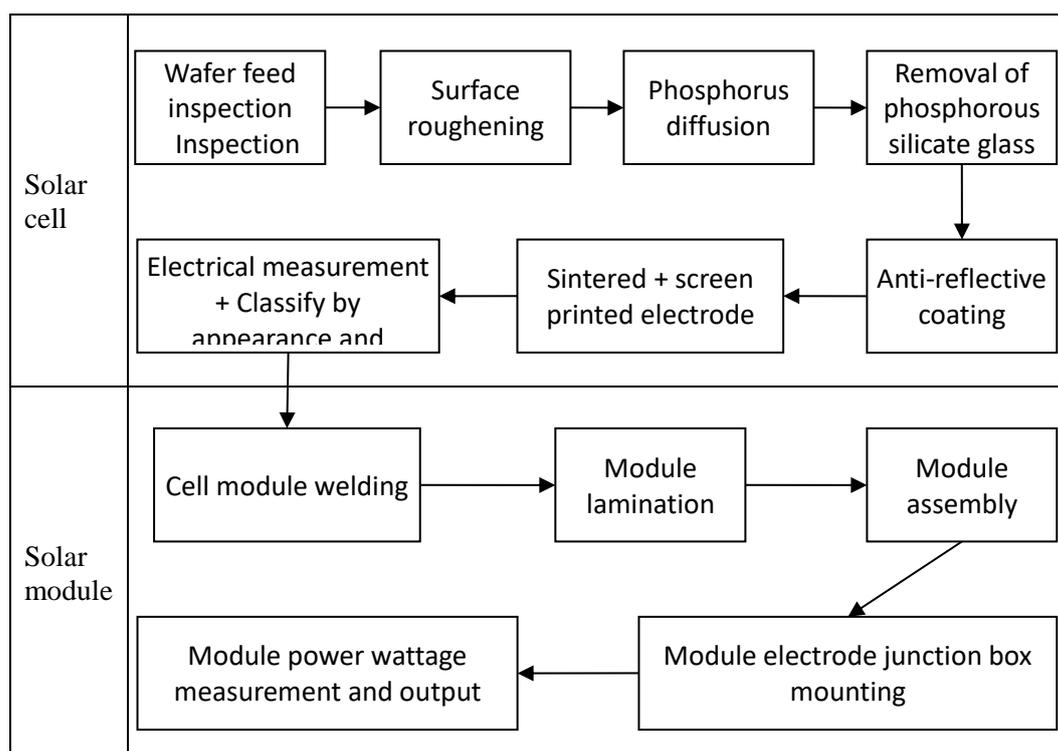
Solar cells convert sunlight directly into electricity without the need for fuel and without generating waste or pollution.

In addition, as solar cells contain no moving parts, they operate silently and have a typical lifespan of over 20 years under normal conditions.

The size of solar cells can be flexibly adjusted to meet application requirements, making them suitable for a wide range of uses, including consumer electronics, residential and commercial power supply, and standalone power generation facilities.

Sector	Application Description
Utility Power Plant	Ground-mounted solar systems ($\geq 5\text{MW}$ / 10MW-scale deployments)
Commercial Use	Rooftop systems for factories and warehouses (e.g., 100kW–300kW), BIPV, energy optimization
Agricultural Land	Floating PV or hillside slope systems for dual-use applications (e.g., agriculture + solar)
Residential	Rooftop installations for homes, villas, apartments, buildings
Public/Remote Areas	Island/off-grid systems, disaster zones, telecom towers, emergency power systems
Agriculture, Forestry, Fishery, and Animal Husbandry	Rural power supply, greenhouse PV systems, agricultural irrigation systems, automatic irrigation control, livestock power supply, milk cooling systems, aquaculture pond water aeration systems, automated feeders.
Telecommunications	Wireless telecom relay stations, base stations, emergency telephone relay centers, PV-powered telephone systems, radio reception PV systems, microwave relay stations.

2.Manufacturing Process



3.Supply Status of Main Materials

Main raw materials	Supplier	Supply condition
Silicon wafer materials	Company DA, Company S-A	Good
Contact Lenses	Company DH	Good

4.Main suppliers and customers

(1).Recent two-year primary supplier information

Unit: NTD thousand

Item	2023				2024			
	Name	Amount	Ratio to annual net procurement (%)	Relationship with the issuer	Name	Amount	Ratio to annual net procurement (%)	Relationship with the issuer
1	BR	419,209	34.08	None	DA	33,843	13.84	None
2	CW	149,866	12.18		S-AU	27,040	11.06	
3	BH	128,611	10.46		DH	19,506	7.98	
	Others	532,261	43.28		Others	164,114	67.12	
	Net procurement	1,229,947	100.00		Net procurement	244,503	100.00	

Note: List the names of suppliers with a purchase amount exceeding 10% of the total purchase amount in the last two fiscal years, along with their purchase amount and proportion. However, if contractually obligated not to disclose the supplier's name or if the counterparty is an individual and not a related party, use a code name.

Reason for change:In FY2024 (113th fiscal year), the subsidiary experienced substantial operational expansion, leading to increased procurement volumes. As a result, it replaced the parent company as the primary purchasing entity.

(2).Recent Two-Year Sales Data of Major Customers

Unit: NTD thousand

Item	2023				2024			
	Name	Amount	Ratio to annual net sales (%)	Relationship with the issuer	Name	Amount	Ratio to annual net sales (%)	Relationship with the issuer
1	CF	753,312	35.12	None	CF	84,284	22.92	None
2	CZ	410,371	19.13		K2	73,194	19.90	
3	CH	251,068	11.70					
	Others	730,371	34.05		Others	210,268	57.18	
	Net sales	2,145,122	100.00		Net sales	367,746	100.00	

Note: List the names of customers with a sales amount exceeding 10% of the total sales amount in the last two fiscal years, along with their sales amount and proportion. However, if contractually obligated not to disclose the customer's name or if the counterparty is an individual and not a related party, use a code name.

Reason for Change:

In FY2024 (113th fiscal year), the overall sales scale contracted due to the impact of increased anti-dumping tariffs imposed on solar cell products in overseas markets. In addition, as part of a strategic operational adjustment, the Company ceased shipments to its second and third largest customers from FY2023 (112th fiscal year). The related products were instead transferred to other clients.

3. Number of employees employed for the two most recent years, and during the current year as of the date of publication of the annual report

Unit: person; year: %

Year		End of 2023	End of 2024	End Q1,2025
Number of employees	Managers	23	24	27
	General employees	496	272	158
	Total	519	296	185
Average age		31.46	36.96	39.39
Average years of service		4.02	5.74	6.01
Education distribution	Doctoral Degree	0.77	1.69	2.70
	Master's degree	6.36	10.13	15.14
	University/college	92.87	88.18	81.16

4. Information on environmental expenditure

(1.)According to laws and regulations if it is required to apply for a permit for installing anti-pollution facilities, or permit of pollution drainage, or to pay anti-pollution fees, or to organize and set up an exclusively responsible unit/office for environmental issues, the

description of the status of such applications, payment or establishment shall be made:

1. Application for the pollution facility installation permit or pollution discharge permit

Type	Environmental protection-related permits and regulations	Acquisition date	Remarks
Water pollution prevention	Wastewater consent certificate	January 11, 2008	Zhong-Zong-Zi No. 0975140026
	Water pollution prevention program Approval review	March 5, 2008	Fu-Huan-Shui-Zi No. 0970700481
	Attained the certificate for the completion of the management center's wastewater (sewage) pipeline connection	October 29, 2008	Zhong-Zong-Zi No. 0975141813
	Letter of approval for Class B wastewater special personnel setup	November 24, 2008	Fu-Huan-Shui-Zi No. 0970075946
	Change of water pollution prevention license	April 20, 2011	Fu-Huan-Shui-Zi No. 1000021000
	Certificate of consent for waste connection	September 15, 2011	Zhong-Zong-Zi No. 1005142017
	Change of water pollution prevention license	December 26, 2011	Fu-Huan-Shui-Zi No. 1000079806
	Letter of approval for Class A wastewater special personnel setup	November 2, 2012	Fu-Huan-Shui-Zi No. 1010076229
	Application for the extension of change of water pollution prevention license	December 4, 2017	Fu-Huan-Shui-Zi No. 1060291874
	Change of water pollution prevention license	August 20, 2015	Fu-Huan-Shui-Zi No. 1040218974
Stationary pollution source prevention	Stationary pollution source installation license	April 17, 2008	Fu-Huan-Kong-Zi No. 0970602769
	Letter of approval for Class A air pollution special personnel setup	March 11, 2009	Fu-Huan-Kong-Zi No. 0980013567
	Stationary source operating license	October 30, 2009	Fu-Huan-Kong-Zi No. 0980013574
	Alteration of operating license for stationary pollution sources	November 6, 2010	Fu-Huan-Kong-Zi No. 0990037552
	Change of stationary pollution source installation license	May 20, 2011	Fu-Huan-Kong-Zi No. 1000020999
	Change of stationary source operating license	December 8, 2011	Fu-Huan-Kong-Zi No. 1000041875
	Letter of approval for Class A air pollution special personnel setup	November 20, 2012	Fu-Huan-Kong-Zi No. 1010080426
	Change of stationary pollution source installation license	March 17, 2015	Fu-Huan-Kong-Zi No. 1040064935
	Application for the extension of stationary source operating license	November 21, 2016	Fu-Huan-Kong-Zi No. 1050288704
Business waste management	Letter of approval for business waste removal plan	January 28, 2008	Fu-Huan-Fei-Zi No. 0970002603
	Alteration of letter of approval for business waste removal plan	January 8, 2010	Fu-Huan-Fei-Zi No. 0990000862
	Change of letter of approval for business waste removal plan	May 21, 2010	Fu-Huan-Fei-Zi No. 0990017091
	Change of letter of approval for business waste removal plan	January 11, 2011	Fu-Huan-Fei-Zi No. 0990079455
	Change of letter of approval for business waste removal plan	June 24, 2011	Fu-Huan-Shi-Zi No. 1000038317

Type	Environmental protection-related permits and regulations	Acquisition date	Remarks
	Change of letter of approval for business waste removal plan	June 11, 2012	Fu-Huan-Shi-Zi No. 1010025334
	Change of letter of approval for business waste removal plan	April 24, 2014	Fu-Huan-Shi-Zi No. 1030094981
	Change of letter of approval for business waste removal plan	August 24, 2015	Fu-Huan-Shi-Zi No. 1040221267
	Letter of approval for class A waste treatment technician setup	September 5, 2016	Fu-Huan-Shi-Zi No. 1050220236
	Change of letter of approval for business waste removal plan	November 2, 2017	Fu-Huan-Shi-Zi No. 1060264462
Toxic chemical substance management	Approval for toxic chemical operations (dibutyl phthalate)	July 24, 2008	Fu-Huan-Ji-Zi No. 0970048489
	Cancellation for toxic chemical operations (dibutyl phthalate)	December 30, 2010	Fu-Huan-Ji-Zi No. 0990087970

2. Pollution Prevention Fees and Payment Status

- (1) The Company pays monthly **wastewater treatment fees** to the Zhongli Industrial Park Administration.
- (2) The Company pays monthly **outsourced waste treatment service fees**.
- (3) In accordance with the **Regulations Governing the Collection of Air Pollution Control Fees**, the Company's current operating activities are **not subject to declaration or payment** of air pollution fees.

However, during previous periods involving production processes, the Company complied with **Article 3** of the above regulations by completing quarterly declarations in **January, April, July, and October**, and fully remitted all required payments within the statutory deadlines, thereby fulfilling its legal obligations.

In addition, for related parties such as the Company's **Vietnam subsidiary** and **TAISIC MATERIALS CORP.**, the Company will assess, based on their actual operations and local regulatory requirements, whether they are subject to environmental declaration and payment obligations.

2. Dedicated Environmental and Safety Personnel

The Company has appointed dedicated personnel in each of the following areas:

- Wastewater treatment
- Waste management
- Occupational safety and health
- Fire prevention management
- Setting forth the company's investment on the major anti-pollution facilities, the use purpose of such facilities and the possible effects to be produced

March 31, 2025

Equipment name	Quantity	Acquisition date	The use purpose and the possible effects to be produced

Volatile organic waste gas treatment system	1 unit	October 2008, June 2009, September 2010, December 2010, January 2011, February 2011, October 2011, December 2011, March 2012, April 2012, June 2012	Treats exhaust gas to meet environmental emission criteria
Acid-alkali wastewater treatment system	1 unit	November 2008, February 2009, April 2009, June 2009, December 2009, January 2011, July 2011, August 2011, October 2011, November 2011, December 2011, March 2012, June 2012, September 2013, June 2014, December 2014	Treats production effluent to meet environmental emission criteria
Acid-alkali waste gas treatment system	1 unit	April 2009, December 2009, December 2010, January 2011, October 2011, December 2011, March 2012, June 2012, August 2012, October 2014, January 2015	Treats exhaust gas to meet environmental emission criteria
General exhaust system	1 unit	April 2009, June 2009, December 2009, June 2012	Prevents air pollution to comply with environmental laws
Local Scrubber	16 units	December 2009, March 2011, December 2012	Prevents air pollution to comply with environmental laws

3. Losses or Penalties Arising from Environmental Pollution in the Most Recent Fiscal Year and up to the Date of Annual Report Publication

The Company **did not incur any losses, penalties, or compensation** due to environmental pollution during the most recent fiscal year and up to the publication date of this report. There are **no foreseeable related expenditures**, and no future response or remediation measures are currently required.

If any such circumstances arise, the Company will assess them in accordance with applicable regulations.

At present, **no reasonable estimate of potential losses, penalties, or compensation is required**, nor applicable.

5. Labor-Management Relations

(1) Employee Benefits, Education and Training, Retirement System, Implementation Status, Labor-Management Agreements, and Employee Rights Protection Measures

1. Employee Welfare Measures

The Company operates under the framework of the Labor Standards Act and places great importance on maintaining harmonious labor-management relations. Regular labor-management meetings are convened, and all operational matters comply with labor regulations.

In accordance with applicable laws, the Company allocates employee welfare funds and has established an Employee Welfare Committee to plan, oversee, and implement welfare programs. Employee benefits include annual company outings, departmental gatherings, holiday gift vouchers or bonuses (three major festivals), year-end bonuses, movie tickets, and allowances for weddings, funerals, hospitalization, and childbirth, to support employees' well-being.

In addition to statutory labor and health insurance, the Company also provides group medical insurance and accident insurance, thereby offering enhanced life protection and security for employees.

2. Employee Education and Training

To help new hires quickly adapt to their roles, the Company provides pre-employment training, with course content tailored by job function. Department colleagues assist new employees in understanding the Company's industry position and long-term development direction.

For on-the-job training, departments arrange internal training courses as needed, allowing employees to continuously access updated professional knowledge. Participation in technical seminars further strengthens skills in manufacturing processes and R&D.

Additionally, based on the competencies required for various job functions, the Company arranges for employees to attend training courses organized by external consultants, training institutions, government agencies, and business associations to enhance their professional capabilities.

FY2024 Employee Training Summary

Unit of currency=NT\$

Training Item	Total Participants	Total Hours	Cost (NT\$)
1. New Employee Orientation	49	110	–
2. Professional Skills Training	502	1,093	113,272
3. General Knowledge Training	815	3,596	85,812
4. Self-Directed Development	–	–	–
Total	1,366	4,799	199,084

3. Retirement System and Implementation Status

Retirement System	Old System	New System
Governing Law	Labor Standards Act	Labor Pension Act
Description	According to the Labor Standards Act, the Company calculates employees' retirement benefits based on a defined benefit system. A monthly reserve equivalent to 2% of total salary is deposited into a designated account under trust management with the Bank of Taiwan (formerly Central Trust).	According to the Labor Pension Act, the Company contributes 6% of each employee's monthly salary into an individual pension account established with the Bureau of Labor Insurance.

(1). To safeguard employees' post-retirement livelihood, the Company has established a Retirement Reserve Supervisory Committee and sets aside 2% of total monthly salaries into a designated trust account managed by the Bank of Taiwan to fund future retirement liabilities.

(2). Since July 1, 2005, the Company has adopted the defined contribution plan under the Labor Pension Act for new hires, contributing 6% of the employee's monthly salary to an individual retirement account.

Employees who voluntarily convert to the new system also receive 6% contributions, while prior service under the old system is retained separately and remains governed by the Labor Standards Act.

Company Retirement Guidelines (under Labor Standards Act):

1. Voluntary Retirement:

An employee meeting one of the following criteria may apply for retirement:

- (1) Age 55 or above with 15+ years of service
- (2) Age 60 or above with 10+ years of service
- (3) Age 65 or above regardless of years of service

2. Mandatory Retirement:

The Company may not enforce retirement unless one of the following conditions is met:

- (1) The employee is 65 years of age or older
- (2) The employee is unable to continue working due to physical or mental disability. In special cases where employees are engaged in hazardous, physically demanding, or high-risk work, the Company may apply for early retirement on their behalf with proper documentation and government approval. However, retirement may not be enforced before age 55.

3. Retirement Pension Payment Standards

- (1) For employees covered by the Labor Standards Act before transitioning to the Labor Pension Act, or for those who chose to retain their seniority under the former system, retirement pay for service years prior to the change is calculated based on Articles 84-2 and 55 of the Labor Standards Act.
- (2) For employees who meet the seniority requirements and are mandatorily retired under Article 15, Paragraph 1, Subparagraph 2, due to mental illness or physical disability that prevents continued service, their retirement pay is calculated at one month's average salary per service year, in accordance with the same article.
- (3) For employees solely under the Labor Pension Act, retirement funds are contributed monthly at 6% of the employee's wages to their individual pension accounts at the Bureau of Labor Insurance.

4. Retirement Pension Payment

The Company shall remit the retirement pension payable to an employee within 30 days from the employee's date of retirement.

4. Labor-Management Communication

The Company operates under the Labor Standards Act and places great importance on maintaining sound labor-management relations.

Regular labor-management meetings are convened, and all operations are conducted in full compliance with labor regulations.

In addition, employee satisfaction surveys are conducted semi-annually to gather feedback and formulate improvement plans. The Company maintains open and effective communication channels between labor and management.

As of the date of this report, the Company enjoys harmonious labor-management relations.

The results of the FY2024 (113th fiscal year) employee satisfaction surveys in Taiwan and Vietnam are summarized below.

Item	Content- Taiwan- All Employees (Tainergy + TAISIC)
Survey Topic	Cafeteria quality, working environment, service quality
Number of Respondents	71
Coverage Rate	100%
Responsible Department	Human Resources Department
Frequency	Twice a year
Survey Period	2024/1/1 – 2024/12/31
Average Satisfaction	4.35 (Scale: 1 = lowest, 5 = highest)
Summary of Results	Overall satisfaction remained high; most employees were satisfied with working conditions and services.
Improvement Measures	The HR Department has initiated a meal vendor evaluation mechanism and adopted employee feedback to adjust vendors and improve meal quality and satisfaction.

Item	Content- Taiwan- All Employees (Tainergy + TAISIC)
Survey Topic	Network stability, convenience of IT department communication, quality of technical support
Number of Respondents	71
Coverage Rate	100%
Responsible Department	IT Department
Frequency	Twice a year
Survey Period	2024/1/1 – 2024/12/31
Average Satisfaction	4.26 (Scale: 1 = lowest, 5 = highest)
Summary of Results	Most employees were satisfied with IT services, and overall satisfaction remained at a high level.
Improvement Measures	Improve equipment efficiency and software/system stability

Item	Content- Vietnam -All Employees
Survey Topic	Service quality / Cafeteria & welfare / Catering / Cleanliness of office & dormitory areas / IT issue handling quality & efficiency
Respondents	207
Coverage Rate	100%
Responsible Departments	HR / General Affairs / IT
Frequency	Once a year
Survey Period	2024/1/1–2024/12/31
Average Satisfaction	3.90 (Scale: 1 = lowest, 5 = highest)
Summary of Results	<p>HR-related items scored between 4.14 and 4.23, indicating that the HR team’s service attitude and problem-handling quality received generally positive evaluations.</p> <p>Areas with relatively lower scores include:</p> <ul style="list-style-type: none"> Food portion size (3.6) Canteen equipment (3.67) Catering staff attitude (3.8) <p>These items show steady improvement.</p> <p>The IT department received the lowest average scores, mostly in the 3.7–3.78 range, particularly in:</p> <ul style="list-style-type: none"> “Issue handling quality” “Efficiency” “Application functionality” <p>This suggests a need to enhance technical support tools and workflow usability.</p>

Improvement Measures	<p>IT Department Recommendations:</p> <p>Strengthen training in use of common software/tools/processes</p> <p>Introduce evaluation mechanisms for system repair tickets and streamline IT issue reporting</p> <p>Canteen Recommendations:</p> <p>Implement routine food evaluation surveys and menu design feedback from employees</p> <p>Strengthen kitchen staff service training and employee feedback system</p> <p>Regularly check and standardize hygiene for dining and kitchen areas, improve equipment usability</p> <p>Hygiene & Facility Staff Recommendations:</p> <p>Set up daily inspection checklists to enforce cleanliness standards</p> <p>Use visual public boards to post cleaning schedules and staff responsibilities to improve transparency and trust</p>
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5. Employee Workplace Environment and Personal Safety

(1) The Company has established a **Workplace Health and Safety Code** to prevent occupational accidents and protect the health and safety of employees. All personnel entering the plant are required to wear protective helmets and follow proper storage procedures to maintain a safe, healthy, comfortable, and friendly working environment.

(2) The Company regularly provides occupational safety and health training, awareness campaigns, and emergency drills. These include irregular first-aid training and periodic fire drills, all aimed at improving employees' safety awareness, responsiveness, and resilience.

(3) Annual employee health checkups and workplace health promotion activities are organized. An internal epidemic response unit has been established with contingency plans in place. Health information is also published on the internal website to promote employee awareness and well-being.

(4) Access Control

.Access to the premises is managed via security gates and monitored by surveillance systems to ensure a safe environment.

.A professional security company provides 24-hour guard service at the main gate to manage entry of personnel, vehicles, and assets.

(5) Facility Maintenance and Inspection

.Regular maintenance and self-inspections are performed on high/low-voltage electrical systems, air conditioning, water dispensers, and firefighting equipment.

(6) According to fire risk assessment standards, the Company is categorized as low risk. A designated fire prevention officer has been appointed to oversee the implementation of fire safety and emergency response plans. Semi-annual scenario-based fire drills are conducted, and fire hydrants, smoke extraction systems, and other firefighting equipment are in place to strengthen preparedness and response capabilities.

6. Employee Conduct and Code of Ethics

(1) The Company has established Work Rules to govern employee conduct. Key guidelines include:

- A. Employees shall act diligently and comply with all company rules.
- B. Employees may not use their position for personal or third-party gain.
- C. Employees may not accept gifts, entertainment, kickbacks, or other improper benefits related to their duties or violations thereof.
- D. Employees must maintain strict confidentiality regarding company business, trade secrets, sensitive documents, technical data, and other proprietary information. Any breach must be reported immediately for resolution.

(2) The Company has also enacted Employee Evaluation Regulations, which are fully communicated to all staff to ensure understanding of behavioral expectations.

(3) Regarding Ethical Management Training:

In FY2024 (113th fiscal year), the Company held internal and external training sessions on ethical business conduct, covering topics such as compliance, accounting regulations, and internal control systems, with a total of 206 participants and 452 training hours.

No.	Course Category	Participants (times)	Total Hours	Remarks
1	Compliance with Ethical Business Regulations	181	324	Orientation session on business ethics for new hires
2	Accounting Systems and Internal Controls	25	128	–

(2) Labor Disputes in the Most Recent Two Years and Up to the Date of Publication of the Annual Report

- 1. No labor disputes have occurred in the past two years and up to the date of this report. Labor-management relations have remained harmonious and stable, with no disputes or related financial losses incurred.
- 2. Current and future preventive measures include:
 - (1) Full compliance with labor laws and continuous enhancement of employee welfare programs
 - (2) Establishment of open and transparent labor-management communication and grievance channels
 - (3) Promotion of a participatory management system involving all employees

3. Estimated financial losses:

Given the Company's longstanding policy of harmonious and integrity-based labor management, and in the absence of unforeseen external events, no material losses from labor disputes are anticipated.

6. Information Security Management

(1) Strategy and Organizational Structure

1. Information Security Risk Management Framework

Since its establishment, the Company's IT Department has overseen the development and implementation of information security policies, aligned with both internal audit mechanisms and external auditor requirements. A dedicated information security specialist has been appointed, and periodic security

meetings are held to review and enhance policies and protection measures. The effectiveness of information security controls is monitored regularly and reported annually to the Board of Directors.

2. Information Security Policy

To ensure proper implementation of information security, the IT Department follows the Plan-Do-Check-Act (PDCA) model to assess the relevance of its policies and controls. Results are reported to management on a regular basis.

3. Information Security Management Measures

The Company acknowledges potential risks of cyberattacks or malicious interference from third parties that may affect system operations. As a preventive measure, we maintain daily backups (both local and off-site) and perform scheduled virtual machine backups to ensure data integrity.

Key actions include:

(1) Policy Framework:

A formal Information Security Policy has been established to guide system protection and employee usage behavior.

(2) Infrastructure Investments:

Annual spending of NT\$175,000 is allocated to layered security infrastructure including firewalls, intrusion detection systems (IDS), and antivirus/anti-malware tools. Routine internal controls such as vulnerability scans and patch management are also executed.

(3) Employee Awareness & Training:

Information security alerts are issued regularly. Security policy briefings are conducted during general meetings to improve staff awareness and reduce the risk of malware infections or cyberattacks.

(4) Policy Review & Continuous Improvement:

The Company actively promotes continuous security enhancement by leveraging detection software to identify threats early and prevent potential incidents—ensuring operational continuity.

(5) Software Maintenance:

Periodic audits are conducted on company-wide antivirus software to ensure virus definitions are up to date, thereby reducing risks from software vulnerabilities.

4. Information Security Investment and Resources

Category	Multi-Layered Defense Measures Implementation
Network Security	- Adopt advanced technologies for regular OS and software patching- Enhance firewall and network traffic control to prevent intrusions
Device Security	- Endpoint behavior detection deployed by device type and usage scenario- New PCs must pass quarantine and antivirus installation before activation
Application Security	- Strengthen application-level authentication and access control- Integrate application security scanning and access control in deployment flows

Data Security	- Control over USB storage access- Email security management
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Category	Implementation
Security Awareness	- Enhance phishing awareness via simulations and detection drills- Conduct regular employee cybersecurity education

(2) Cybersecurity Incident Record – Past Two Years

As of the end of FY2024 and up to the date of this report, the Company has not experienced any major cybersecurity incidents resulting in data breaches or significant losses.

Simulated phishing and threat drills have been executed regularly.

The Company continues to reinforce mail defense, threat detection, and incident response.

In the event of any reasonably unquantifiable risks, such situations will be disclosed in accordance with applicable laws and standards.

7. Material Contracts

Contract Type	Contracting Party	Contract Period	Key Terms	Restrictive Clauses
Supply Agreement	Tainergy Tech Co., Ltd. Zhongmei Silicon Co., Ltd.	2007/08/14 – 2025/12/31	Supply of silicon wafers	None
R&D Collaboration	TAISIC Materials Corp. National Applied Research Labs	2020/07/15 – 2025/12/31	SIC technology R&D	None
R&D Collaboration	TAISIC Materials Corp. KENMEC Mechanical Engineering Co., Ltd.	2018/07/07 – 2025/06/30	R&D of 8-inch polishing & long crystal growth equipment	None
Lease Agreement	Tainergy Tech (Kunshan) Co., Ltd. Kunshan Wisdom Group	2021/05/28 – 2036/05/27	Lease of cleanroom and office	None
Long-term Loan	Tainergy Tech Co., Ltd. Taiwan SMEG	2021/06/18 – 2026/06/18	Medium-to-long term loan	None
Long-term Loan	Tainergy Tech Co., Ltd. E.SUN Bank	2020/03/24 – 2027/06/17	Medium-to-long term loan	None
Long-term Loan	TAISIC Materials Corp. Taiwan SMEG	2022/11/30 – 2027/11/30	Medium-to-long term loan	None
Long-term Loan	TAISIC Materials Corp. First Commercial Bank	2024/04/02 – 2027/08/06	Medium-to-long term loan	None
Long-term Loan	TAISIC Materials Corp. Hua Nan Bank	2024/05/07 – 2029/05/07	Medium-to-long term loan	None

V. Financial Condition and Operating Results

1 . Financial Condition

(1) Explanation of Major Changes in Assets, Liabilities, and Equity Over the Past Two Fiscal Years

Unit: NT\$ thousand / %

Item	FY2023	FY2024	Change Amount	% Change
Current Assets	1,556,368	1,160,536	(395,832)	-25.4%
Property, Plant & Equip.	733,347	742,277	8,930	1.2%
Intangible Assets	1,455	1,700	245	16.8%
Other Assets	759,976	626,675	(133,301)	-17.5%
Total Assets	3,051,146	2,531,188	(519,958)	-17.0%
Current Liabilities	545,529	659,307	113,778	20.9%
Non-current Liabilities	214,931	177,455	(37,476)	-17.4%
Total Liabilities	760,460	836,862	76,365	10.0%
Equity Attributable to Parent	2,112,330	1,679,463	(432,867)	-20.5%
Share Capital	2,250,000	2,250,000	–	–
Capital Surplus	771,118	342,927	(428,191)	-55.5%
Retained Earnings	(428,191)	(466,022)	(37,831)	8.8%
Other Equity	(480,597)	(447,442)	33,155	-6.9%
Non-controlling Interests	178,356	14,900	(163,456)	-91.7%
Total Equity	2,290,686	1,694,363	(596,323)	-26.0%

Material Change Explanations

(Triggered by criteria: percentage change \geq 20% and monetary change ranks in top five)

1. Decrease in current assets: Mainly due to reduced inventory and cash as a result of lower operational scale and cash utilization.

2. Increase in current liabilities: Attributed to increased accounts payable for procurement of inventories and equipment.

3. Decrease in equity attributable to parent company: Caused by consolidated net loss in FY2024.

4. Decrease in capital surplus: Mainly due to reclassification adjustments on equity.

5. Decrease in non-controlling interests: Due to losses incurred by subsidiaries in FY2024.
6. Overall equity decline: Mainly driven by consolidated net loss in FY2024.

(2) Potential Impact on Future Financial and Business Performance, and Response Plans:

1. Optimize and integrate the solar cell supply chain to improve cost efficiency and production flexibility.
2. Actively expand into energy storage and emerging energy markets to reduce dependence on a single regional market.
3. Evaluate the formation of strategic alliances with U.S.-based partners to enhance market access and ensure supply chain stability.

2 . Business Performance

(1) Changes in Revenue, Operating Profit, and Pre-Tax Income Over the Past Two Years and Key Reasons

Unit: NT\$ thousand / %

Item	FY2023	FY2024	Change Amount	% Change
Operating Revenue	2,145,122	367,746	(1,777,376)	-82.9%
Gross Profit	250,910	(138,922)	(389,832)	-155.3%
Operating Loss	(285,812)	(745,357)	(459,545)	160.8%
Non-operating Income and Expenses	95,276	115,490	20,214	21.2%
Profit (Loss) Before Tax	(190,536)	(629,867)	(439,331)	231.0%
Net Profit (Loss)	(190,348)	(629,978)	(439,630)	231.0%
Other Comprehensive Income (Loss)	(32,178)	33,655	65,833	-204.6%
Total Comprehensive Income (Loss)	(222,526)	(596,323)	(373,797)	168.0%

Explanation of Significant Changes
(Triggered by criteria: changes of 20% or more, with significant monetary impact)
1. Revenue and Gross Profit Decline
Mainly due to reduced solar cell sales volume in FY2024, affected by overseas anti-dumping tariffs. Lower production scale and high inventory costs led to a sharp drop in operating income and gross margin.

2. Increase in Operating Loss
Due to the decline in revenue and gross profit, as well as fixed depreciation and asset impairment losses.
3. Increase in Non-operating Income
Mainly due to gains from the disposal of investment properties in FY2024.
4. Decrease in Pre-tax Income
Attributed to reduced operating performance and impairment losses on fixed assets.
5. Further Decline in Operating Loss Before Tax
Resulting from the factors mentioned above.
6. Net Loss Increased
Due to continued decline in revenue, gross profit, and asset impairment losses.
7. Fluctuation in Other Comprehensive Income
Mainly reflects exchange rate differences from FY2023.
8. Total Comprehensive Loss Increased
Attributed to lower revenue and gross profit, plus fixed depreciation and asset impairment.

(2). Forecast of Next Year's Sales Volume and Basis

The global solar industry continues to face supply-demand imbalance, with cell and module prices remaining at historically low levels. In addition, the United States has imposed high anti-dumping and countervailing duties on solar products imported from Southeast Asia, significantly impacting production and export competitiveness in the region. These factors have collectively contributed to a sluggish industry outlook and weakening market demand.

(3). Potential Impact on Future Financial and Business Performance and Response Plans

1. Integrate and optimize the solar cell supply chain to improve cost efficiency and enhance production flexibility.
2. Actively expand into energy storage and emerging energy markets to reduce reliance on any single regional market.
3. Explore strategic alliances with U.S.-based partners to strengthen market access and ensure supply chain stability.

3. Cash Flows

(1) .Analysis of Cash Flow Changes in the Most Recent Fiscal Year

Unit: NT\$ thousand / %

Item	FY2023	FY2024	Change Amount	% Change
Operating Activities	450,785	(243,712)	(694,497)	-154.1%
Investing Activities	(449,903)	(99,191)	350,712	-78.0%
Financing Activities	20,437	113,915	93,478	557.4%
Net Cash Inflow (Outflow)	(1,973)	(218,104)	(216,131)	11054.4%

Explanation of Changes:

1. Operating cash flow decreased, mainly due to the drop in operating income in FY2024.
2. Investing cash outflows decreased, mainly due to a reduction in capital loans to related parties in FY2024.
3. Financing cash inflows increased, primarily because subsidiaries raised funds from affiliated entities in FY2024.

(2). Liquidity Improvement Plan for Shortfalls:None.

(3). Cash Flow Forecast for the Next Fiscal Year:

- 1.Operating Activities: Expected to decrease due to ongoing control of operating expenses.
- 2.Investing Activities: Expected to increase due to capital expenditures related to fixed assets, facilities, and energy infrastructure by subsidiaries.
- 3.Financing Activities: Expected to increase due to capital injections or new borrowings to strengthen financial structure and meet business needs.

4. Impact of Major Capital Expenditures on Financial and Business Operations in the Most Recent Fiscal Year

In the most recent fiscal year, the Company's subsidiary, TAISIC MATERIALS CORP., invested in the procurement of production equipment to enhance its manufacturing capacity and operational efficiency.

5. Investment Policy, Profit/Loss Analysis, Improvement Plan, and Next-Year Outlook

(1). Investment Policy

The Company has implemented management guidelines for subsidiaries and internal control procedures for investment cycles, including procedures for "Acquisition and Disposal of Assets" and "Subsidiary Supervision." These serve as the basis for investment management and operational oversight to ensure timely understanding of investee companies' performance.

(2) .Major Sources of Investment Gains or Losses

- 1.Tainergy Tech Holdings (Samoa) Ltd.

A holding company owning 100% of Tainergy Tech (Kunshan) Co., Ltd.

Investment gain in 2024: NT\$7,325 thousand, primarily derived from Kunshan's operational profit.

2.Tainergy Tech (Kunshan) Co., Ltd.

Specializes in solar cell module R&D and manufacturing.

Investment gain in 2024: NT\$7,324 thousand, mainly from rental income of leased real estate.

3.VIETENERGY LLC

Initially benefited from U.S. safeguard tariffs against Chinese solar products. To gain regional tariff advantages, production was shifted to Southeast Asia.

However, beginning in 2024, the U.S. imposed anti-dumping and countervailing duties (AD/CVD) on solar products from Southeast Asia, adversely impacting operations.

Based on conservative accounting, asset impairment was recognized for VIETENERGY's property, plant, and equipment, leading to an investment loss of NT\$343,318 thousand in 2024.

4.Changhong New Energy Co., Ltd.

A subsidiary focusing on solar engineering and O&M services.

Investment gain in 2024: NT\$315 thousand.

The company is still in early-stage operations, constrained by financial structure and market expansion. Support will continue to optimize resource allocation and business development capacity.

5.TAISIC Materials Corp.

Engages in R&D and mass production of third-generation compound semiconductors (SiC), targeting high-efficiency power and telecom markets.

Investment loss in 2024: NT\$145,250 thousand, mainly from R&D and advanced equipment expenditures.

Due to the high technical threshold, customer qualification is lengthy. Once validated, performance is expected to improve gradually.

6.TAI VISION CO., LTD.

A new investment in the contact lens market.

Phase 1 involves marketing under its own brand via OEM products to build channel presence.

Phase 2 will launch a DEMO line to develop proprietary products and processes.

Investment loss in 2024: NT\$15,673 thousand, due to initial marketing and setup costs.

Once the DEMO line is completed and in operation, performance is expected to improve.

7.Thuntech Co., Ltd

A startup in EV charging station and module design for smart energy and green transport.

Investment loss in 2024: NT\$100 thousand, mainly due to initial setup and product development.

With growing EV adoption and infrastructure demand, long-term performance is expected to improve.

(3) Investment Plan for the Next Fiscal Year

Recognizing the strong potential of solar-plus-storage and SiC-based power devices, the Company is also expanding into consumer product markets such as contact lenses to diversify its portfolio and create new revenue streams.

In 2025, the Company plans to invest up to NT\$500 million, covering production equipment, pilot verification, and new business development.

Mass production is expected to begin in the second half of 2025, contributing positively to the Group's operational scale and strategic positioning.

6. Risk Assessment and Analysis for the Most Recent Fiscal Year and up to the Publication Date of the Annual Report

(1) Impact of Interest Rate and Exchange Rate Fluctuations and Inflation on the Company's Profitability and Future Countermeasures

1. Impact of Interest Rate Fluctuations

Interest rate fluctuations directly affect the cost of the Company's financing. Apart from the Company's own operating capital, external financing from banks is a primary funding source. To mitigate interest rate volatility, the Company closely monitors market interest trends and actively seeks preferential interest rates from banks through favorable credit ratings and long-term relationships. In addition, the Company makes prudent use of financial instruments available in the capital markets to reduce financing costs.

2. Impact of Exchange Rate Fluctuations

The Group's functional currency is primarily the New Taiwan Dollar (NTD), while its main revenues and purchases are denominated in U.S. dollars (USD). Accordingly, foreign currency receivables and payables must be translated into NTD for financial reporting purposes, creating exposure to exchange rate risk. Although foreign currency-denominated assets and liabilities generally form a natural hedge, timing mismatches between revenues and expenses, or between receivables and payables, can still result in exchange gains or losses.

To mitigate exchange rate risks, the Group considers engaging in hedging instruments offered by financial institutions when appropriate. However, exchange rate movements may still cause temporary distortions in the financial statements, such as net income or cash flow metrics, though their long-term impact on the Group's overall profitability is relatively limited.

3. Impact of Inflation

The Group has not experienced any significant adverse impact due to inflation. The Group continues to closely monitor market price fluctuations and maintains stable relationships with suppliers and customers to mitigate potential negative effects from inflation.

(2) Policies, Profit or Loss Drivers, and Future Measures Related to High-Risk, High-Leverage Investments, Loans to Others, Endorsements/Guarantees, and Derivative Transactions

1. The Group did not engage in any high-risk or high-leverage investments during the most recent fiscal year or up to the date of publication of this annual report.

2. When the Company or its subsidiaries engage in loans to others, endorsements/guarantees, or derivative transactions, they strictly follow the internal control procedures and comply with relevant regulatory disclosure requirements.

(1). Loans to Others: As of the date of this report, the Company and its subsidiaries have only provided loans to related parties within the Group.

(2). Endorsements/Guarantees: As of the date of this report, endorsements and guarantees provided by the Company and its subsidiaries are limited to the Company itself or to subsidiaries in which the Company holds more than 50% ownership.

(3.) Derivative Transactions: The Company engages in derivative financial transactions solely for the purpose of hedging against foreign exchange risk. These transactions are carried out in accordance with the Company's "Procedures for Acquisition or Disposal of Assets" and have been properly disclosed as required by law.

(3) Future R&D Plans and Estimated R&D Expenditures

1. Future R&D Plans

The Company remains committed to the research and development of crystalline silicon solar cell technologies, with a focus on improving power conversion efficiency and production performance.

The future R&D roadmap will emphasize the following areas:

R&D Area	Planned Content
Process Technology Enhancement	01. Structural design integration technology 02. Metal electrode optimization 03. Laser-guided surface texturing technology
New Product Development	01. Ultra-thin cell technology 02. High current conduction layer development 03. Micro-nano composite surface treatment
New Material Applications	01. Development of anti-reflective surface additives for wafers 02. Introduction of mesh-type composite electrode materials 03. New-generation backside layout design

2. Estimated R&D Investment

The Company plans to focus R&D on advanced process technology optimization and new material applications. Continued introduction of innovative process technologies will help enhance competitiveness and improve conversion efficiency. The Company plans to invest up to NT\$500 million in 2025 to support technological upgrades and innovation development.

(4). Impact of Major Domestic and International Policy & Regulatory Changes on Finance and Operations, and Mitigation Measures

The Company operates in compliance with all applicable domestic and international laws and regulations. It closely monitors political and regulatory trends to promptly assess potential risks and develop strategic responses, especially under evolving global market conditions.

Recent Context:

The U.S. has imposed high anti-dumping and countervailing (double) tariffs on solar cells imported from Southeast Asia. This has significantly impacted the Company's sourcing and supply chains, resulting in operational pressure and cost hikes.

Response Strategy:**1. Vertical Supply Chain Integration:**

Strengthen upstream solar cell integration to improve cost efficiency and manufacturing flexibility, enhancing overall competitiveness.

2. Diversified Market Expansion:

Accelerate development in energy storage and renewable energy sectors to reduce dependency on any single market or product.

3. Strategic Alliances:

Explore partnerships with U.S.-based firms to establish strategic alliances that enhance market access and improve supply stability.

Summary: Although the Company has implemented mitigation strategies, it will continue to evaluate the impact of evolving policies and actively strengthen financial and operational resilience to navigate potential risks and support long-term development.

(5). Impact of Technological Changes and Industry Shifts on the Company's Financial and Business Operations, and Response Measures

With the rapid evolution of global renewable energy technologies, the solar industry is undergoing significant transformation. New generations of high-efficiency cell technologies, such as TOPCon, heterojunction (HJT), and perovskite tandem cells, continue to advance, shortening the product innovation cycle. Simultaneously, the integration of solar power generation, electric vehicle (EV) charging, and energy storage—collectively referred to as solar-charging-storage applications—has emerged as a mainstream trend, driving energy utilization from simple generation toward integrated solutions for storage and mobile usage.

In light of the pressures and opportunities brought by technological updates and structural shifts in the market, failure to promptly adjust strategies and product offerings could pose potential risks to the Company's operational performance and financial stability.

To address these challenges and impacts, the Company has launched the following strategic response measures:

1. Integrate and optimize the solar cell supply chain, adopt high-efficiency products, and enhance production flexibility to reduce costs and meet rapidly changing market demands.

2. Actively expand into the solar-charging-storage application market, promoting integrated product solutions combining solar modules, energy storage systems, and EV charging equipment, thereby extending the scope of energy applications.
3. Evaluate the formation of strategic alliances with partners in the United States and other regions to accelerate market entry into local solar-charging-storage applications and to stabilize supply chains and market access mechanisms.
4. Focus on and invest in advanced R&D, including energy management platforms, charging/discharging dispatch systems, and AI-optimized solutions to enhance the value of comprehensive system offerings.

Through the above strategies, the Company aims to navigate the ongoing industry transformation with stability, reinforce its technological and market positioning, and sustain long-term growth momentum and financial resilience.

(6) Impact of Corporate Image Change on Crisis Management and Response Measures

Corporate image is one of a company's most valuable intangible assets, exerting significant influence over brand trust, market reputation, and long-term sustainability. It is also a core element of corporate crisis management. Damage to corporate image, whether due to external negative events or internal governance failures, may result in trust crises, investor concerns, and operational risks.

The Company recognizes the importance of corporate image in crisis prevention and response, and has implemented the following mechanisms to ensure timely and effective handling:

1. Spokesperson system: A designated spokesperson and deputy spokesperson ensure consistent, timely, and legally compliant public communication.
2. Investor relations and public communication: The IR team communicates corporate strategies, financial data, and operations status to maintain transparency and trust.
3. Internal governance and control: Through internal audit, control mechanisms, and clearly defined responsibilities, the Company reduces operational risk and ensures information accuracy.
4. Labor relations and corporate culture: A stable internal environment minimizes negative image risks stemming from labor disputes or internal conflicts.
5. Crisis and media response mechanism: Procedures are in place for internal response and external communication in the event of a crisis to protect the Company's image.

As of the latest fiscal year and the date of this report, the Company has not experienced any material incident that would impair its corporate image. The Company will continue strengthening its early warning and response capabilities to maintain public confidence and a positive perception.

(7) Anticipated Synergies, Risks, and Response Measures for Mergers and Acquisitions

As of the date of this report, the Company does not have any ongoing or planned mergers or acquisitions. Should any arise in the future, the Company will adopt a prudent approach and fully assess the synergies and potential impacts to protect shareholder interests.

- (8) Expansion of Production Facilities: Expected Benefits, Risks, and Response Measures
The Company currently has no plans to expand production capacity.
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- (9) Risk and Response Measures Regarding Procurement and Sales Concentration

Procurement Concentration Risk:

The solar industry's raw material supply chain is highly concentrated. In 2024 (Year 113 in ROC calendar), procurement from a single supplier, DA, accounted for 13.84% of total procurement, reflecting procurement concentration risk. In addition to vendor concentration, raw material sources are largely concentrated in China, which dominates global supply for polysilicon, wafers, and solar cells. This regional dependency poses risks to supply stability.

In the SiC business segment, due to the high sensitivity of the manufacturing process to material quality and cost, raw materials are mainly sourced from supplier S-AU. Although S-AU meets technical and cost requirements, source concentration remains a concern. The Company is evaluating the introduction of a second supplier based on product volume growth and quality stability.

Furthermore, the Company has not signed long-term contracts with suppliers. To retain pricing and delivery flexibility, procurement is conducted on a short-term or spot negotiation basis. To mitigate procurement concentration risk, the Company has adopted the following strategies:

1. Actively seek second-source suppliers and regional alternatives.
2. Establish flexible procurement mechanisms and inventory level monitoring.
3. Regularly assess geopolitical and market dynamics to implement preemptive risk controls.

Sales Concentration Risk:

In 2024, sales to customer CF accounted for 22.92% of total revenue, down from 35.12% in 2023. Although the concentration has decreased, it still presents a significant risk.

Previously, the Company benefited from favorable import duties due to U.S. safeguard tariffs on Chinese solar products and its manufacturing base in Southeast Asia. However, in 2024, the U.S. imposed anti-dumping and countervailing duties (AD/CVD) on solar products imported from Southeast Asia. This has significantly impacted the Company's competitive pricing and export flexibility, disrupting its established sales structure.

While transactions with CF remain advantageous, short-term concentration is still aligned with maximizing company benefits. Meanwhile, the Company is proactively addressing the associated risks through the following measures:

1. Expand markets outside the U.S. and diversify the customer base.
 2. Evaluate forming strategic partnerships with U.S.-based entities to establish local supply capabilities.
 3. Optimize product portfolio and pricing strategy to enhance market resilience.
- (10) Impact, Risk, and Response Measures of Significant Share Transfers or Changes by Directors, Supervisors, or Major Shareholders (Holding Over 10%) : None.
-

(11) Impact, Risk, and Response Measures of Changes in Management Control : None.

(12) Legal or Non-Litigation Matters

1. Significant litigation, non-litigation, or administrative disputes involving the Company that have been concluded or are pending as of the latest fiscal year and the publication date of the annual report, which may materially affect shareholder equity or stock price:None.
 2. Significant litigation, non-litigation, or administrative disputes involving directors, supervisors, the general manager, actual responsible persons, shareholders holding more than 10% of shares, or subsidiaries, which have been concluded or are pending as of the latest fiscal year and the publication date of the annual report, and may materially affect shareholder equity or stock price:None.
 3. Whether any director, supervisor, manager, or shareholder holding more than 10% has violated Article 157 of the Securities and Exchange Act in the past two years and the Company's current handling status:None.
 4. Any financial distress or loss of creditworthiness experienced in the past two years by any director, supervisor, manager, or shareholder holding more than 10% that may affect the Company's financial status:None.
-

(13) Other Significant Risks and Response Measures

1. Information Security Risk

(1) Information Security Operations

The Company adheres to the principle that "information security is everyone's responsibility," and has established a comprehensive information security system and policies to protect company confidential information and personal data. Continuous improvement in management mechanisms, along with regular email alerts, website notices, and training campaigns, are implemented to strengthen cyber protection, safeguard client data and intellectual property, and enhance the Company's ability to respond to security incidents.

(2) Cybersecurity and Network Risk Control

With the rapid development of internet technology, cyberattack methods have evolved, and the number of attacks has increased significantly. Although no system can be completely immune to distributed denial-of-service (DDoS) attacks, the Company adopts proactive measures such as advanced firewalls, spam/malware filters, internet usage restrictions, real-time OS updates, centralized antivirus systems, and 24/7 cybersecurity monitoring. Risk assessments are conducted regularly to identify and mitigate system vulnerabilities.

2. Market Risk

(1). Gradual Reduction in Global Solar Subsidies

Government subsidy policies have historically been the main driver of solar power adoption, as they help reduce user costs and stimulate market demand. However, many countries have begun phasing out such subsidies, leading to downward pressure on solar product prices.

To respond, the Company is expanding production capacity to enhance economies of scale, while continuously improving manufacturing processes and equipment to enhance product quality, reduce unit costs, and strengthen market competitiveness and visibility.

(2) .Customer Attrition Risk Due to High Tariffs and Market Shifts

Customers may shift procurement to low- or zero-tariff regions due to rising trade barriers, particularly in the U.S.

•Short-Term Measures:

1. Market Diversification: Actively develop non-U.S. markets such as Europe, India, and Southeast Asia.
2. Long-Term Agreements: Strengthen partnerships with strategic U.S. clients through long-term contracts to share the tariff burden.

•Long-Term Measures:

Monitor U.S. policy developments to avoid premature resource misallocation. Invest only after confirming clear and sustainable tariff benefits.

3. Financial Risk

(1) Interest Rate and Exchange Rate Risk

Market fluctuations in interest and exchange rates may impact the Company's financial costs, asset valuation, and liabilities, thereby affecting financial statements and cash flows.

Response Measures:

Use hedging instruments to stabilize borrowing costs and mitigate currency risk.

Adjust interest rate sensitivity structure of assets and liabilities.

Diversify foreign currency asset allocation to reduce exposure to any single currency.

(2) Liquidity Risk

Inability to secure sufficient cash or funding could disrupt operations and prevent the Company from meeting financial obligations.

Response Measures:

Emergency Financing Channels: Secure backup credit lines from partner banks to meet unexpected funding needs.

Cash Reserve Targets: Set minimum cash reserve levels based on operating scale and short-term debt obligations.

Cash Flow Forecasting: Regularly prepare and review forecasts to identify shortfalls and apply preemptive strategies.

Maintain Strong Credit Ratings and Bank Relations: Ensure diversified funding access and avoid overreliance on a single source.

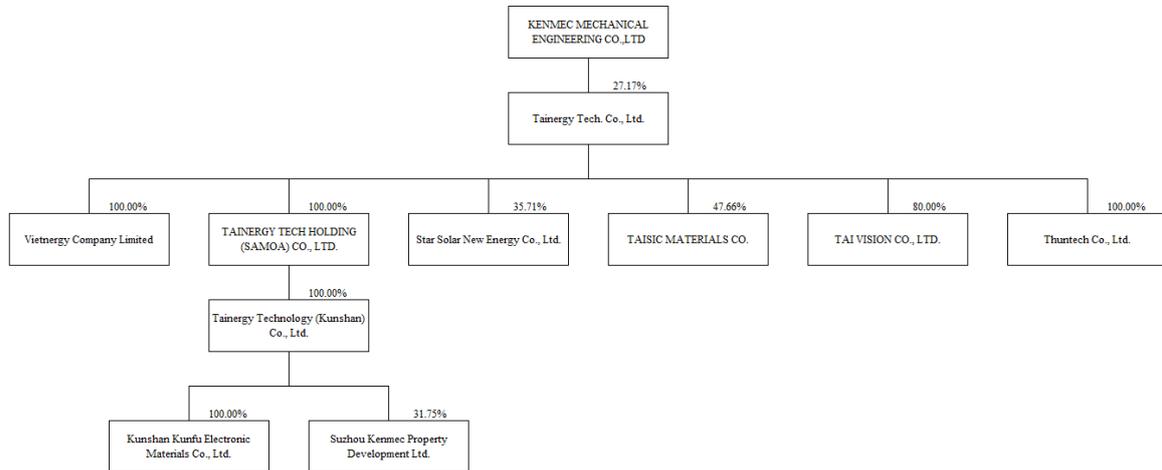
7. Other Significant Matters : None.

Chapter VIII. Special Items

II. Information on affiliates

(I) Consolidated Business Report of Affiliates

1. Chart of the Affiliates



Note 1: None of the above affiliates have investments in each other.

Note 2: The above information comes from the 2023 Auditors' Report.

2. Basic information on affiliates

Company name	Date of Incorporation	Address	December 31, 2024 Paid-up capital (NTD thousand)	Principal business or production lines
Holding company: KENMEC MECHANICAL ENGINEERING CO., LTD.	July 12, 1976	1 F., No. 69, Ruifang Industrial Park, Dingping Rd., Ruifang Dist., New Taipei City 224012, Taiwan	NTD 2,590,112	<ul style="list-style-type: none"> ◦ Design, manufacturing, processing, and trading of industrial machinery, steel brackets, and steel structures. ◦ Import and export trade of machinery, hardware, office equipment, and electrical machinery. ◦ Processing, manufacturing, and trading of integrated production lines and flexible manufacturing systems for industrial robots and automation. ◦ Processing, manufacturing, and trading of automated conveyors, automated palletizers, automated storage systems, automated guided vehicles (AGVs), and robotic arms. ◦ Manufacturing, trading, and import/export of lifting machinery and equipment. ◦ Operation of parking facilities. ◦ Design, processing, manufacturing, and trading of parking equipment. ◦ Design, planning, manufacturing, processing, trading, construction, and maintenance of incinerators and waste treatment equipment. ◦ Design, planning, manufacturing, processing, trading, installation, and

Company name	Date of Incorporation	Address	December 31, 2024 Paid-up capital (NTD thousand)	Principal business or production lines
				<p>maintenance of water treatment and pollution prevention equipment.</p> <ul style="list-style-type: none"> ◦ Agency, manufacturing, trading, and bidding services for domestic and international products listed above. ◦ Manufacturing of data storage and processing equipment. ◦ Manufacturing of wired communication machinery and equipment. ◦ Machinery installation services. ◦ Computer equipment installation services. ◦ Telecommunication engineering services. ◦ Installation engineering for regulated telecommunications radio frequency equipment. ◦ Information software services. ◦ Data processing services. ◦ Biotechnology services. ◦ Wholesale of office machinery and equipment. ◦ Retail of office machinery and equipment. ◦ Wholesale of information software. ◦ Retail of information software. ◦ Export manufacturing. ◦ Aquaculture. ◦ Business operations not prohibited or restricted by law, excluding licensed

Company name	Date of Incorporation	Address	December 31, 2024 Paid-up capital (NTD thousand)	Principal business or production lines
Tainergy Tech. Co., Ltd.	May 14, 2007	No. 5, Ziqiang 1st Rd., Zhongli Industrial Park Service Center, Fuxing Vil., Zhongli Dist., Taoyuan City, Taiwan	NTD 2,250,000	businesses. R&D, design and production of high-tech green batteries (solar cells) and other related components
Subsidiary Companies : TAINERGY TECH HOLDING (SAMOA) CO., LTD.	January 17, 2003	TrustNet Chambers Lotemau Centre, P.O. BoX 1225, Apia, Samoa.	USD 70,000	Holding company
VIETENERGY COMPANY LIMITED	September 17, 2014	Plant B, Thach That – Quoc Oai Industrial Zone, Hanoi City, Vietnam	USD 46,500	Manufacture of high-tech solar cells and related cell components
Star Solar New Energy Co., Ltd.	June 21, 2018	11th Floor, No. 8, Lane 398, Huanbei Road, Xingjie Li, Zhongli District, Taoyuan City.	NTD 14,000	Solar power generation and sales
TAISIC MATERIALS CO.	June 16, 2020	No. 5, Ziqiang 1st Rd., Zhongli Industrial Park Service Center, Fuxing Vil., Zhongli Dist., Taoyuan City, Taiwan	NTD 500,000	Manufacturing and sales of electronic parts and components
TAI VISION CO., LTD.	December 20, 2023	No. 5, Gongye 3rd Rd., Pingzhen Dist., Taoyuan City, Taiwan	NTD 30,000	Wholesale and retail of contact lenses
Thuntech Co., Ltd	June 13, 2024	6 F., No. 95, Sec. 2, Nangang Rd., Nangang Dist., Taipei City 115028, Taiwan	NTD 5,000	Manufacturing of charging piles and charging modules
Tainergy Technology (Kunshan) Co., Ltd.	June 25, 2008	No. 1288, Fuchunjiang Road, Penglang Township, Kunshan Development Zone, Kunshan City, Jiangsu Province	USD 70,000	R&D, design, production of high-tech green cells (solar cells) and their components
Kunshan Kunfu Electronic Materials Co., Ltd.	October 12, 2017	No. 1288, Fuchunjiang Road, Penglang Township, Kunshan Development Zone, Kunshan	RMB 4,500	Sales and manufacture of electronic materials and parts

Company name	Date of Incorporation	Address	December 31, 2024 Paid-up capital (NTD thousand)	Principal business or production lines
Suzhou Kenmec Property Development Ltd.	January 10, 2008	City, Jiangsu Province No. 8, Xixia Road, Yuexi Street, Wuzhong District, Suzhou City.	RMB 252,000	Real estate business.

3. Shareholders presumed to have control and subordinate relationship with the same information: None
4. The overall relationship between business enterprises covered by the industry: Please refer to “Basic information on affiliates.”
5. Information of directors, supervisors and Presidents of each affiliated company

December 31, 2024 / Unit: shares; NTD; %

Company name	Title	Name of individual or representative(s)	Shareholding	
			Number of shares/net worth	Shareholding ratio
Holding company: KENMEC MECHANICAL ENGINEERING CO., LTD.	Chairman	CHING-FU HSIEH	14,267,707	5.51
	Director	Yueh-Chen Lin	10,130,345	3.91
	Director	Representative of Shun Chung Investment Co., Ltd.: Ming-Kai Hsieh	366,491	0.14
	Independent Director	Yi-Yu Lee	0	0.00
	Independent Director	Chu-Ju Peng	0	0.00
	Independent Director	Chien-Chou Chu	0	0.00
	General Manager	Chih-Chun Ko	342,486	0.13
	Tainergy Tech. Co., Ltd.	Chairman	Representative of KENMEC MECHANICAL ENGINEERING CO., LTD.: CHING-FU HSIEH	61,132,856
Director		Representative of KENMEC MECHANICAL ENGINEERING CO., LTD.: LI-CHUAN SHEN	61,132,856	27.17
Director		MING-CHIH HSIEH	522	0.00
Director		CHIEN-LIANG CHEN	0	0.00

Company name	Title	Name of individual or representative(s)	Shareholding	
			Number of shares/net worth	Shareholding ratio
Subsidiary company: TAINERGY TECH HOLDING (SAMOA) CO., LTD.	Independent Director	CHIA-HSIANG WANG	0	0.00
	Independent Director	FU-LING YEH	0	0.00
	Independent Director	YI-KUANG CHEN	0	0.00
	General Manager		0	0.00
	Person in charge	Representative of Tainergy Tech. Co., Ltd.: CHING-FU HSIEH	NTD846,641,870	100.00
VIETENERGY COMPANY LIMITED	Person in charge	Representative of Tainergy Tech. Co., Ltd.: YI-KUANG CHEN	NTD112,242,728	100.00
Star Solar New Energy Co., Ltd.	Chairman	Shao-Jung Yang	337,000	24.07
	Director	Representative of Tainergy Tech. Co., Ltd.: Ming-Kai Hsieh	500,000	35.71
TAISIC MATERIALS CO.	Chairman	Representative of Tainergy Tech. Co., Ltd.: MING-KAI HSIEH	23,828,000	47.66
	Director	Representative of Tainergy Tech. Co., Ltd.: CHING-FU HSIEH	23,828,000	47.66
	Director	MA, Tai-Liang	1,400,000	2.80
	Director	Representative of Hong Yuan International Investment Co., Ltd.: CHIA-HUA HO	5,000,000	10.00
	Independent Director	YANG, Ching-Chi	50,000	0.10
TAI VISION CO., LTD.	Independent Director	HSU, Lien-Kai	50,000	0.10
	Independent Director	WANG, Kuan-Hsiang	0	0.00
	General Manager	HSIEH, Ming-Hsun	500,000	1.00
	Chairman	Representative of Tainergy Tech. Co., Ltd.: MING-KAI HSIEH	2,400,000	80.00
		LI-CHUAN SHEN		

Company name	Title	Name of individual or representative(s)	Shareholding	
			Number of shares/net worth	Shareholding ratio
	Supervisor		0	0.00
Thuntech Co., Ltd	Chairman	Representative of Tainergy Tech. Co., Ltd.: MING-KAI HSIEH	500,000	100.00
Tainergy Technology (Kunshan) Co., Ltd.	Person in charge	Representative of SAMOA Entity: Legal Representative of Tainergy Tech. Co., Ltd. :CHING-FU HSIEH	NTD846,613,839	100.00
Kunshan Kunfu Electronic Materials Co., Ltd.	Person in charge	Representative of Tainergy Technology (Kunshan) Co., Ltd.: CHING-FU HSIEH	NTD4,446,571	100.00
Suzhou Kenmec Property Development Ltd.	Person in charge	Representative of Tainergy KENMEC MECHA-TRONICS (SUZHOU) CO., LTD.: CHING-FU HSIEH	NTD241,259,148	31.75

6. Overview of the operations of each affiliate

December 31, 2024 / Unit: NTD thousand

Company name	Capital	Total assets	Total liabilities	Net Value	Operating revenue	Operating profit	Profit and loss for the period (after tax)	EPS (NTD) (after tax)	Currency
Tainergy Tech. Co., Ltd.	2,250,000	1,855,825	176,362	1,679,463	155,043	(22,594)	(466,522)	(2.07)	NTD
Holding company: KENMEC MECHANICAL ENGINEERING CO., LTD.	2,590,112	9,811,791	5,262,818	4,548,973	2,065,066	(144,299)	(143,227)	(0.56)	NTD
Subsidiary company: TAINERGY TECH HOLDING (SAMOA) CO., LTD.	2,042,868	846,642	0	846,642	0	0	7,326	None	CNY
VIETNERGY COMPANY LIMITED	1,305,185	154,030	40,999	113,031	210,882	(157,681)	(346,969)	None	VND
Star Solar New Energy Co., Ltd.	14,000	693,596	681,786	11,810	252,923	6,168	1,229	0.88	NTD
TAISIC MATERIALS CO.	500,000	875,772	851,058	24,714	31,748	(306,444)	(304,788)	(6.10)	NTD
TAI VISION CO., LTD.	30,000	75,976	66,159	9,817	3,330	(19,331)	(19,591)	(6.53)	NTD
Thuntech Co., Ltd.	5,000	4,927	94	4,833	0	(188)	(167)	(0.33)	NTD
Tainergy Technology (Kunshan) Co., Ltd.	2,023,818	931,166	84,552	846,614	1,984	(46,568)	7,324	None	CNY
Kunshan Kunfu Electronic Materials Co., Ltd.	20,151	4,447	0	4,447	0	(7)	50	None	CNY
Suzhou Kenmec Property Development Ltd.	1,128,456	730,603	34,228	696,375	83,538	(7,737)	(4,675)	None	CNY

(II) Consolidated Financial Statements of Affiliates

Considering that the companies to be included into the consolidated financial statements of affiliated companies under the “Criteria Governing Preparation of Consolidated Business Report, Consolidated Financial Statements of Affiliated Enterprises, and Affiliation Report” were the same as those to be included into the consolidated financial statements of the parent and subsidiaries under SFAS 7 in 2023 (from January 1, 2023 to December 31, 2023), and the related information to be disclosed in the consolidated financial statements of affiliated companies was already disclosed in said consolidated financial statements of the parent and subsidiaries, no consolidated financial statements of affiliated companies were prepared separately.

(III) Affiliation report:

Tainergy Tech. Co., Ltd.

Affiliation report
2024

Address: No. 5, Ziqiang 1st Rd., Zhongli Industrial Park Service Center,
Fuxing Vil., Zhongli Dist., Taoyuan City
Tel: (02) 2788-3798

Declaration

The affiliation report of 2024 (from January 1 to December 31, 2024) which have been prepared in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” has no material discrepancy with the information disclosed in the notes to the financial reports for the period.

In witness thereof, the Declaration is hereby presented.

Company name: Tainergy Tech. Co., Ltd.

Person in charge: CHING-FU HSIEH

March 14, 2025

Qin-Shen No. 11402662 dated on March 22, 2025

Recipient: Tainergy Tech. Co., Ltd.

Subject: This is a statement to suggest that there is no material discrepancy in the 2024 affiliation report prepared by the Company.

Descriptions:

- (1) By the statement of the Company, the Company's 2024 (January 1 to December 31, 2024) affiliation report prepared on March 6, 2025 is based on the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises," and there is no material discrepancy between the disclosed information and the financial reports provided. The Declaration is as attached.
- (2) We have compared the affiliation report prepared by the Company and the Company's remarks of the 2024 financial reports and we have found no material discrepancy based on the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises."

Deloitte & Touche Taiwan

CPA LI-HUANG LI
CPA TSUNG-YUAN TSAI

1. Overview of the relationship between subsidiaries and the controlling company

2024

Unit: NTD thousand

Name of the controlling company	Reason for control	Shareholding and pledge of the controlling company			Personnel assigned by the controlling company to serve as directors, supervisors, or managerial officers	
		Number of shares held	Shareholding percentage	Number of shares pledged	Title	Name
KENMEC MECHANICAL ENGINEERING CO., LTD.	Parent company	61,133 thousand shares	27.17%	-	Chairman Director	CHING-FU HSIEH WEI-TI CHEN

2. State of transactions that shall be recorded

- (1) Purchases and sales: None.
- (2) Property transaction: None.
- (3) Financing: None.
- (4) Asset leasing

Unit: NTD thousand

Trading type (Rental or lease)	Subject matter		Lease period	Nature of the leasing	Method by which the leasing price was determined	Collection (payment) method	Comparison with ordinary leasing price levels	Total leasing price for the current period	Collection /payment status	Other special stipulations
	Name	Location of the object leased								
Leased from KENMEC MECHANICAL ENGINEERING CO., LTD.	Plant and warehouse	No. 5, Ziqiang 1st Rd., Zhongli Dist., Taoyuan City, Taiwan	2020.11.01-2025.10.31	Operational leasing	Negotiation	Monthly rent	No significant difference	\$ 2,236	Paid in full	None
Leased from KENMEC MECHANICAL ENGINEERING CO., LTD.	Office	6F., No. 97, Sec. 2, Nangang Rd., Taipei City	2020.11.01-2025.10.31	"	"	"	"	\$ 300	"	"

- (5) Other significant business transactions:

3. The following particulars shall be stated with respect to endorsements and guarantees: None.

III. Has the company carried out a private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report

Item	First private placement in 2013 Date of issue: December 10, 2013											
Type of private placement	Common shares											
Date and amount approved at the shareholders' meeting	2013/06/28; no more than 50 million shares											
The basis and reasonableness of price setting	<p>1. The price of the common shares in the private placement shall be determined at no less than 80% of the higher of the following two bases prior to the date of the Company's pricing.</p> <p>(1) The share price equaling the simple arithmetic mean of the closing price(s) of common shares for the one, three or five business day(s) prior to the pricing date minus the stock and cash dividends distributed for bonus shares and plus the stock dividends for capital reduction.</p> <p>(2) The share price equaling the simple arithmetic mean of the closing prices of common shares for the thirty business days prior to the pricing date minus the stock and cash dividends distributed for bonus shares and plus the stock dividends for capital reduction.</p> <p>2. The Board of Directors shall be authorized to determine an actual issue price not lower than the percentage approved by the shareholders' meeting depending on the subsequent conditions of the specified persons and the market. The price of the privately offered shares should be reasonable as it is determined in accordance with the laws and regulations promulgated by the competent authority and take into account the three-year restriction on the transfer of privately offered securities, the operating performance of the Company, the future outlook and the market price of common shares.</p> <p>3. In the future, if the price of the stock is lower than the par value of the stock due to market factors, it shall be deemed reasonable as the price was determined based on the law and had reflected the market price. If the increase in accumulated losses has an impact on shareholders' equity, losses shall be covered by capital reduction, earnings, capital surplus or other statutory means based on the Company's operating and market conditions.</p>											
Method of selecting the specific persons	<p>The objects for the private placement is limited to specific persons stipulated in Articles 43-6 of the Securities and Exchange Act and the related letter order. The following is a list of related parties or insiders that may be subject to the private placement:</p> <table border="1"> <thead> <tr> <th>Subscriber</th> <th>Method of purpose of selection</th> <th>Relationship with the Company</th> </tr> </thead> <tbody> <tr> <td>KENMEC MECHANICAL ENGINEERING CO., LTD.</td> <td>A corporate director of the Company.</td> <td>Insider</td> </tr> <tr> <td>KENTEC INC.</td> <td>The chairman of the company is the same one as the Company</td> <td>Related party</td> </tr> </tbody> </table>			Subscriber	Method of purpose of selection	Relationship with the Company	KENMEC MECHANICAL ENGINEERING CO., LTD.	A corporate director of the Company.	Insider	KENTEC INC.	The chairman of the company is the same one as the Company	Related party
Subscriber	Method of purpose of selection	Relationship with the Company										
KENMEC MECHANICAL ENGINEERING CO., LTD.	A corporate director of the Company.	Insider										
KENTEC INC.	The chairman of the company is the same one as the Company	Related party										
Necessary reason for private placement	The Company intended to raise its capital through private placement and has taken into account the current capital market conditions and factors such as timeliness and feasibility of raising capital as a means to obtain the required capital in the shortest time possible.											
Date of payments of the price	November 14, 2013											

Information on subscriber	Private placement target	Qualification	Number of subscriptions	Relationship with the Company	Participation in the company's operations
	KENMEC MECHANICAL ENGINEERING CO., LTD.	Article 43-6, Paragraph 1, Subparagraph 3 of the Securities and Exchange Act	25,000 thousand shares	Parent company	Parent company of the Company and director
Actual subscription price	NTD 19				
Difference between actual subscription price and reference price	The price of NTD 19 for the private placement of common shares accounts for 80.51% of the simple arithmetic average of closing price of the Company's common shares of NTD 23.6 for the five business days (excluding the pricing date) prior to the pricing date on November 8, 2013.				
Impact of private placement on shareholders' equity (e.g. may result in an increase in accumulated losses)	The price per share for the common shares of the private placement was NTD 19, higher than the net value per share of NTD 13.62 on September 30, 2013, showing that the private placement of common shares has helped improve the net value per share. Also, the use of all funds raised from the private placement have been used to enrich the Company's working capital and repay bank loans to help the Company to reduce interest expenses while improving its financial structure.				
Implementation of utilization and plan progress for the privately placed funds	As of December 31, 2013, funds from the private placement of common shares were all used to repay bank loans and to enrich the working capital.				
Benefits of private placement of common shares	The private placement of common shares has raised a total of NTD 475,000 thousand of capital. After bank loans were repaid and working capital enriched, the Company's debt ratio decreased from 46.12% at the end of September 2013 to 34.92% at the end of 2013. The current ratio and quick ratio also increased, effectively improving the Company's financial structure.				

IV. Holding or disposal of shares in the company by the company's subsidiaries in the most recent fiscal year and up to the date of publication of the annual report
None.

V. Other necessary supplementary information
None.

VI. Events with material impacts on shareholder equity or stock price as specified in the recent year and by the date of annual report publication
None.