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YUAN JEN ENTERPRISES CO., LTD.

2025 Annual Report

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IV. Auditors:

Name: Deloitte Touche Tohmatsu Limited
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Tel:(02)2725-9988
Website: www.deloitte.com.tw

V. Overseas Securities Exchange: None.

VI. Corporate website: www.yuanjen.com.

YUAN JEN ENTERPRISES CO., LTD.
2025 Annual Report

Contents

I. Letter to Shareholders

1.1 Business results of 2025:

A. Implement results of business plan:

In 2025, Taiwan's economy delivered an impressive performance. Stock market trading was vibrant, and cash handouts stimulated private consumption, driving domestic demand growth. On the export front, strong global demand for AI infrastructure-related hardware bolstered the ICT sector, sustaining high growth momentum. As exports expanded, private investment also improved quarter by quarter. With both stable domestic demand and a gradual rebound in external trade, Taiwan's economy continued to grow. Although global economic activity showed moderate recovery and commodity pricing became less predictable; however, as various countries reached tariff agreements with the United States and obtained partial exemptions, the global trade system managed to maintain basic operations. That said, U.S.-China competitive tensions and other geopolitical conflicts suppressed end-user demand worldwide. Traditional industries continued inventory adjustments, while China's weak recovery in consumption and production, along with U.S.-China disputes, contributed to a more cautious global market sentiment. Nevertheless, global economic momentum remained in expansion mode, and optimism persisted.

In Taiwan, the economy grew strongly driven by ICT products, and corporate investment gradually resumed. The booming electronics industry offset sluggishness in other traditional industries, enabling the economic growth rate to exceed expectations. The full-year economic growth rate is preliminarily estimated at 8.68%—a recent high—outperforming advanced economies like the U.S. and Japan, placing Taiwan at the top of the "Four Asian Tigers."

However, in 2025, Trump's new policies disrupted global financial markets and international trade order, while geopolitical conflict risks lingered, leading to disruption of production systems and policy uncertainties, which in turn restrained global investment and trade, weighing on overall economic growth. Traditional industries continued inventory adjustments, and sluggish end-user demand dampened global petrochemical demand. These factors severely eroded profit margins for petrochemical companies. Meanwhile, China's aggressive capacity expansion and oversupply squeezed external demand, further clouding the recovery prospects for Taiwan's petrochemical industry, resulting in continued weak production and profitability, and mounting concerns across the sector.

Overall, in 2025, with some global recovery and stabilization in China's economy, Taiwan's domestic economy was "warm inside, hot outside." Though the petrochemical industry showed no clear signs of recovery, the company proactively adapted to fierce market competition, stabilizing and controlling performance—maintaining overseas sales and narrowing the decline in domestic sales. With efforts to control costs and stabilize gross margins, complemented by robust non-operating income driven by a buoyant stock market, annual operating performance remained acceptable, and overall results were reasonably stable.

Looking ahead to 2026, preliminary forecasts from the DGBAS project Taiwan's economic growth at 7.71%, suggesting overall performance will remain strong. Although the U.S. and China continue to face their respective challenges—trade headwinds for the U.S. and tariff pressures for China—other major economies are expected to see moderate growth. Emerging and developing economies are expected to perform roughly in line with 2025.

Major international institutions forecast that global GDP growth in 2026 will be broadly similar to 2025, and global trade growth is expected to hold at approximately the 2025 level, which will benefit Taiwan's export performance. With end-user demand expected to gradually recover and domestic consumption staying warm, trade and tariff barriers among nations and geopolitical deadlocks may dampen industrial demand and weigh on Taiwan's economic growth. Given the high base set in 2025, the pace of economic expansion could slow, and the

2026 growth rate may be lower than in 2025.

According to S&P Global's January 2026 economic forecast, despite risks from geopolitical uncertainties and U.S. tariff policies, the global economy—buoyed by a surge in tech investment and proactive fiscal and monetary policies in major countries—is expected to remain resilient. Growth in 2026 is forecast at 2.7%, roughly on par with 2025.

In Taiwan. As global trade continues to expand, robust demand for Taiwan's semiconductors and ICT products will support export performance. With stable private consumption growth and a continued stock market boom, Taiwan's economy in 2026 is expected to continue relying on export momentum and domestic demand for support. Overall performance will be stable domestically and strong externally. However, under the very high base, growth momentum will slow considerably, and the full-year 2026 growth rate is estimated to be lower than in 2025.

In the U.S. and Europe. As tariff negotiations conclude, the U.S. and Europe have entered a period of stability. Though court rulings overturning some measures have added new variables, corporate investment momentum has been activated, and economic growth momentum is expected to trend upward, with 2026 economic growth forecast to still maintain growth, though major member states may see slower growth. In the EU, tourism growth momentum remains, domestic economic recovery is underway, energy prices have broadly stabilized, and inflationary pressures are easing—a typical mature economy with modest growth.

In Asia. China: 2026 economic growth is forecast to decline to approximately 4% (some institutions predict 4.5%), indicating continued slowing of economic momentum. Fiscal stimulus expansion, promoting innovation and industrial upgrading, and renewed emphasis on private sector development are expected to stabilize economic momentum. However, weak consumer confidence, a sluggish real estate market, and ongoing U.S.-China tensions continue to hinder stronger growth, with deflation risks also present. Other Asian economies—such as South Korea, Hong Kong, Singapore, and Japan—are also expected to maintain positive growth.

In summary, the short-term global economic outlook for 2026 is stable, but uncertainties persist. Major trade barriers, tariff escalation, and continued geopolitical uncertainty pose risks, leading to concerns about weak growth. On the whole, Taiwan's economic performance should still be impressive; however, given high base factor effects, the pace of growth may slow. U.S. inflation has subsided, prompting rate cuts, and 2026 economic growth is expected to recover slightly. Europe continues to face multiple challenges and remains weak; although falling inflation and interest rates will support private consumption, high tariffs and sluggish investment will partially offset those gains. Attention must also be paid to the aftermath of U.S. tariff policies, U.S.-China confrontations, and geopolitical disruptions from the Russia-Ukraine and Middle East conflicts, which could affect global trade structures. Trade restrictions, inward-looking policies, and global value chain restructuring deepen divergence and threaten global economic development!

Additionally, renewed hostilities between the U.S.-Israel alliance and Iran have pushed oil prices higher, increasing global economic uncertainty. In the short term, this benefits the petrochemical sector by boosting demand and improving prices and profitability. However, for this to be sustainable, the conflict must be contained quickly and oil production-distribution order restored. If the conflict drags on, undermining economic recovery prospects, the negative effects would outweigh the positive.

All the aforementioned macroeconomic variables are closely linked to the petrochemical sector. In recent years, the industry has faced continuous challenges, including shale gas extraction and gas-to-liquids (GTL) technological innovations, the rise of coal-based chemicals, oil price volatility, the rapid capacity expansion of China's petrochemical industry, the U.S.-China trade war, and net-zero carbon emission goals. In 2025, the industry continued to grapple with multiple crises. With oil prices and raw material costs broadly stabilizing, product pricing gained some predictability, but this also compressed margins or led to overcapacity from excessive expansion. This disrupted Taiwan's petrochemical export momentum and revenues. If tariff uncertainty resolves, global economic recovery should help the petrochemical sector gradually warm up. However, Taiwan's petrochemical industry still struggles with competition from China's "red supply chain," cross-strait competitive dynamics, price wars with international and Chinese conglomerates, and profitability difficulties. As a result, Taiwan's petrochemical sector underperformed in 2025, with output value declining. Overall, 2025 was a year of mixed factors for the petrochemical industry. China's weak economic performance, geopolitical issues, energy concerns, and global inflation impacted both pricing and demand for petrochemicals. Nevertheless, once tariff uncertainty is cleared, the global economy should gradually return to a more normal track, stabilizing overall demand for petrochemical products and supporting global output growth. However, concerns remain about excessive capacity, oil price volatility (e.g., Middle East conflicts), and trade barriers. The fear of "never-ending inventory" continues to threaten global economic momentum and the health of Taiwan's petrochemical sector. We must assess these risks carefully and remain responsive. As we hope for the clouds to clear, and for global growth and consumer confidence to return, our company will continue to focus on maintaining stability in its operations. While substantial growth may be limited, all employees will strive to achieve our performance targets.

B. Budget Execution:

The company did not disclose any financial forecasts for the 2025 fiscal year, so only the consolidated income statement for the past two years is analyzed and compared as follows:

In Thousand NTD

Item	2025	2024	Growth Rate (%)
Operating revenue	7,996,645	8,389,157	-4.68%
Operating costs	7,629,265	7,978,876	-4.38%
Gross profit from operations	367,380	410,281	-10.45%
Operating expenses	222,225	227,552	-2.35%
Operating profit	145,155	182,729	-20.54%
Non-operating income and expenses	150,446	207,018	-27.35%
Operating profit before tax	295,601	389,747	-24.16%
Income tax expense	17,252	42,389	-59.30%
Net profit	278,349	347,358	-19.87%

Explanation of Differences:

The year 2025 saw global trade once again impacted by Trump-era tariffs. Coupled with weaker-than-expected economic recovery in China and sluggish growth in advanced economies, overall economic activity faced headwinds. Demand for petrochemical raw materials remained weak, leading to a decline in the Company's revenue. Although both suppliers and the Company made efforts to control costs and mitigate the impact, gross profit and net profit still decreased for the year. In addition, non-operating income was lower than the previous year, resulting in a more significant decline in overall profitability compared to 2024.

C. Consolidated financial revenue and profit analysis:

A. Interest coverage ratio = 1,001.97%
B. Return on assets = 3.58%
C. Return on stockholders' equity = 4.56%
D. Pre-tax net profit to paid-in capital ratio = 16.26%
E. Net profit margin = 3.48%
F. Earnings per share = 1.53 NTD

D. Research and Development:

As a logistics company, we do not have a specific R&D department. However, in order to adapt to the trend of diversified business development in the future, we will strengthen the development of new products and new customers, and establish cross-departmental market promotion and research groups as needed to stay ahead of the trend.

1.2 2026 operating plan (business goals and future prospects, etc.):

Looking ahead to 2026, supported by strong demand for applications such as AI, high-performance computing, and cloud data services, Taiwan's export and investment momentum is expected to continue. Although geopolitical conflicts and disruptions from new Trump-era policies remain, end-consumer confidence is gradually recovering, and financial policy adjustments in major economies are becoming clearer, improving overall predictability. Nevertheless, close attention must still be paid to the development of tariff policies and appropriate responses should be formulated.

Going forward, much will depend on the trajectory of Trump's policies, U.S.-China tensions, and regional conflicts. If these factors can be contained, the global economy is expected to expand steadily. However, given the relatively high base level, growth momentum may continue to moderate. Major international institutions generally expect the economic outlook for this year to remain stable, with global economic growth in 2026 projected to range between approximately 2.5% and 3.1%. According to Oxford Economics' November forecast, global economic growth for 2026 is projected at 2.7%, roughly in line with the previous year. The International Monetary Fund (IMF) also forecasts global trade volume growth to slow to 2.3% in 2026, indicating a slight weakening in external trade momentum. While economic resilience remains strong, growth is likely to decelerate.

Based on forecasts from international institutions and recent oil price trends, oil market fundamentals in 2026 are expected to remain under mild pressure, with supply exceeding demand. Once oil prices stabilize, agricultural and industrial raw material prices are expected to stabilize as well, easing inflationary pressures and supporting a continued global economic recovery. Under these assumptions, the global economic outlook remains cautiously optimistic. However, under the influence of Trump-era policies, countries are increasingly prioritizing national interests, and inward-looking trade policies may resurface, with tariffs and other disruptive measures potentially re-emerging. Therefore, if geopolitical tensions ease and oil prices stabilize, the industry in which the Company operates is expected to recover. That said, beyond this optimistic outlook, continued vigilance is required regarding potential disruptions from Trump's policies, excessive industry competition, rising trade protectionism, global inflation, the localization of China's supply chain, and the exclusionary pressures faced by Taiwan from not being part of regional economic organizations—all of which may constrain growth.

According to research by the Industrial Technology Research Institute (ITRI), the three most critical factors influencing global petrochemical industry trends in recent years are oil prices, U.S. shale gas, and China's coal chemical industry. Based on the Company's assessment, as the negative impacts of regional conflicts diminish, oil demand is expected to gradually stabilize, and subsequent price fluctuations may trend upward once stability is achieved. U.S. shale oil and gas feedstocks, if they weather the current intense competition from Russian and other oil-producing countries, may lead to large-scale production of key petrochemical raw materials such as ethylene and propylene. Coupled with the Trump administration's relaxation of environmental and climate policies, pricing pressure on downstream petrochemical products is expected to persist. Meanwhile, as China continues to expand petrochemical capacity and increase its self-sufficiency, imports may decline, affecting Taiwan's export momentum and adding pressure to the global petrochemical market. Looking ahead, recovery in the domestic petrochemical industry may slow, and demand is likely to stabilize only after these disruptive factors subside.

With global economic growth and a period of relatively stable raw material and oil prices, fluctuations in 2025 were driven by economic expansion and regional conflicts. It is expected that in 2026, the macroeconomy will continue a stable and moderate recovery, provided geopolitical conflicts are effectively contained. The petrochemical industry is likely to follow a similar trend, although oil prices may still be subject to adjustments due to unstable end-user demand. Despite the rapid global recovery over the past two years, rising trade protectionism, geopolitical frictions, and unresolved tensions among major powers may continue to impact the industry.

Looking ahead, it is hoped that the government will effectively address domestic political and economic issues, including cross-strait relations, while actively seeking external economic cooperation. This is expected to gradually restore investment and consumer confidence and, in turn, support the recovery of related industries.

Our company, with over 40 years of operational experience, continues to leverage its solid foundations to strengthen industry advantages and increase market share through the promotion of new products.

Based on this outlook, our future vision is outlined as follows:

(1) Management Principles:

1. Maintain a competitive advantage over industry peers.
2. Improve operational standards and efficiency.
3. Uphold the principles of integrity and service.

(2) Business Goals:

For fiscal year 2026, the company aims for a total consolidated sales volume of 263,100 metric tons. This figure is based on actual data from the full year of 2025 and January–February 2026, as well as market information from online sources, publications, and current market conditions.

Global economic confidence has been dampened and supply chain pricing has been disrupted due to the ongoing impact of the war between the US and Israel and Iran, interference from Trump's new policies in the US, uncertainty surrounding the economic recovery in mainland China, and geopolitical factors. Only after the war subsides and uncertainties are eliminated can optimism be restored.

(3) Key Operating Policies

1. Strengthen storage and transportation capabilities to improve service efficiency and reduce operating costs.
2. Enhance marketing strategies across departments to maintain supplier-client relationships.
3. Keep pace with industry trends to boost international competitiveness and ensure business growth.
4. Leverage cross-strait geographic advantages to expand business operations.

1.3 The influence of future company development strategy affected by the external competitive environment, regulatory environment and overall business environment:

A. Future Development of the company

The future development of the company will adhere to the aforementioned business principles and policies, striving to achieve the predetermined objectives. We will also prioritize social responsibility, aiming to contribute to society in three dimensions: corporate governance, environmental sustainability, and social relations.

B. The influence of the external competitive environment, regulatory environment and overall business environment:

The company's operations are significantly impacted by external competition and macroeconomic factors, as detailed in the "Results of Business Plan Implementation" on page one and will not be repeated here. Regarding the regulatory environment, global petrochemical safety standards and carbon emission regulations have led to stricter enforcement and more detailed bylaws, which will drive up industrial costs.

Furthermore, the internationalization of financial reporting disclosures, the accelerated timeline for corporate sustainability, and heightened corporate governance requirements have increased the need for human resource investment, as well as costs related to data collection, system implementation, and external certification. Changes in tax laws may also impact profitability; as costs are passed down through various industries, our overall earnings could be affected. Additionally, amendments to labor laws will incur extra operating costs. As upstream suppliers and logistics providers pass these costs on, our profit margins may be compressed, necessitating continuous monitoring and adaptive strategies. Facing climate change risks, the global push for industrial sustainability and carbon reduction plans will place the petrochemical industry at the forefront of impact, leading to a series of costs for equipment upgrades, information disclosure, and external audits.

In terms of the global macroeconomy, while the world has strived for economic development in the post-pandemic era, the ongoing Russia-Ukraine war and conflicts in the Middle East continue to trigger geopolitical storms. These factors, combined with trade interference from new U.S. tariff policies under the Trump administration, have slowed the recovery of the global economic system. Should the conflict between the U.S., Israel, and Iran persist, raw material prices and inflation may resurge, potentially turning the 2026 economic outlook pessimistic. We face three major challenges: macroeconomic instability, trade barriers, and geopolitical conflicts.

Assuming regional wars reach a definitive conclusion, we expect recovery and growth to continue in the coming years. However, factors such as interest rates, exchange rates, and global trade barriers will still dictate the pace of growth for our industry. The pandemic has already disrupted the global division of labor, reshuffling the international trade order. U.S. trade and tariff policies will continue to sway global stock and currency markets, while US-China disputes, geopolitical issues, and central bank interventions cast a shadow over macroeconomic growth, adding further risk.

Moreover, the volatility of the U.S. dollar affects manufacturing and export performance. The looming threat of soaring energy and material prices, along with adjustments in China's industrial policies, remains highly challenging. If war leads to another recession, the petrochemical industry will face significant downward pressure due to chaotic market pricing caused by extreme price volatility, the continuous massive rollout of new production capacity in China, and declining end-consumer power resulting from trade stagnation. This may impact production volumes and erode profits, weakening growth momentum. Both upstream petrochemical giants and downstream processing plants face the risk of a slowdown in industrial growth momentum.

II. Corporate Governance Report

2.1 Directors, Supervisors and Management Team:

(1) Directors

Information on Directors (1)

March 31, 2026

Job title (Note 1)	Nationality or place of registrat-ion	Name	Gender, age (Note 2)	Date of election / appoint-ment to current term	Term of office	Commence ment date of first term (Note 3)	No. of shares held at time of election		No. of shares held at time of election		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications (Note 4)	Positions held concurrently in the Company and/or in any other company	the officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remarks (Note 5)
							No. of shares	Shareho-lding ratio	No. of shares	Shareho-lding ratio	No. of shares	Shareho-lding ratio	No. of shares	Shareho-lding ratio			Job title	Name	Relationship	
Chairman	R.O.C	FOUNTAIN CHEMICAL CORP.	Male (41-50)	June1 2, 2024	3 years	5.28, 1997	19,340,657	10.64%	19,340,657	10.64%	-	-	-	-	Master of Business Administration in Wharton School of the University of Pennsylvania, USA Vice president of EnTrust Securities Co., Limited	Director of EnTrust Securities Co., Limited	-	-	-	None
		XU, YUAN-ZHEN				7.2, 2021	-	-	-	-	-	-	-	-			-	-	-	
Director	R.O.C	FOUNTAIN CHEMICAL CORP.	Male (61-70)	June1 2, 2024	3 years	5.28, 1997	19,340,657	10.64%	19,340,657	10.64%	-	-	-	-	Master of Global Finance, New York University	Director of Hua Nan Financial Holdings, Hua Nan Director of Bank, Director of Hua Nan Securities Investment Trust Co., Ltd.	-	-	-	None
		Yuan-Ling Lee-Hsu		June1 2, 2024		6.12, 2024	-	-					-	-			-	-	-	
Director	R.O.C	HONGREN INVESTMENT CO. LTD.	Male (71-80)	June1 2, 2024	3 years	6.2, 2015	1,486,436	0.82%	1,486,436	0.82%	-	-	-	-	Taipei Muncipal Jianguo High School Chairman of thec Company	None	-	-	-	None
		XU, ZHEN-LONG		June1 2, 20241		5.28, 1997	-	-	-	-	-	-	-	-			-	-	-	
Director	R.O.C	HONGREN INVESTMENT CO. LTD.	Male (71-80)	June1 2, 2024	3 years	7.2, 2021	1,486,436	0.82%	1,486,436	0.82%	-	-	-	-	Department of Chemical Engineering in the Chung Yuan Christian University	Sanheng Industrial (Shares) Chairman				None
		LIAO, PI-CHENG		June1 2, 2024		7.2, 2021	-	-	144,012	0.08%	-	-	-	-						
Independent director	R.O.C	Rong-Tsung Chen	Male (71-80)	June1 2, 2024	3 years	6.12, 2024	-	-	-	-	-	-	-	-	Bachelor of Chemical Engineering, National Taiwan University, National Chengchi University Master of Business Administration	General Manager of Chang Chun Petro Chemical Co., Ltd., Director of Chang Chun Plastics Co., Ltd.	-	-	-	None
Independent director	R.O.C	- Rong-Cheng Kao	Male (61-70)	June1 2, 2024	-3 years	6.12, 2024	-	-	-	-	-	-	-	-	Fu Jen Catholic University Department of Statistics	Deputy General Manager of Hua Nan Bank, Supervisor of Hua Nan Investment Consulting	-	-	-	None
Independent director	R.O.C	ZHENG, HAN-YUN	Female (41-50)	June1 2, 2024	3 years	6.2, 2015	-	-	-	-	-	-	-	-	Master of Department of Law in the Fu Jen Catholic University	Lawyer of Huang & Partners Law Firm	-	-	-	None

Note 1: For a corporate shareholder, the name of the corporate shareholder and its representative shall be listed separately (when listing the representative of a corporate shareholder, the name of the corporate shareholder shall also be noted), and Form 1 below shall also be completed.
Note 2: Please state the actual age, or, alternatively, state the age interval into which the actual age falls, e.g., 41~50 years, 51~60 years.
Note 3: Specify the time the person first began to serve as a director or supervisor of the Company. If there has been any break within a term or between terms, add a note specifying the circumstances.
Note 4: Specify experience and qualifications related to the current position. If during a period specified above the person has served in a position at a CPA firm that serves as external auditor/attestor, specify the position held and the duties for which the person was responsible.
Note 5: Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g., increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as an employee or managerial officer): None, not applicable.

Major Shareholders of Corporate Shareholders

April 20, 2025

Name of corporate shareholder	Major shareholders of the corporate shareholder
FOUNTAIN CHEMICAL CORP.	RONG HAO INVESTMENT CO., LTD. (100%)
HONGREN INVESTMENT CO., LTD.	MAO TONG INVESTMENT CO., LTD. (100%)

Note 1: If a director or supervisor is a representative of a corporate shareholder, fill in the name of that corporate shareholder.
Note 2: Fill in the names of the corporate shareholder's major shareholders (those with a shareholding ratio ranking among the top 10) and their shareholding ratios. If any of the major shareholders is a corporate/juristic person, also complete Form 2 below.
Note 3: If a corporate/juristic person shareholder is not organized as a company, the shareholder names and shareholding ratios required to be disclosed as mentioned above shall be the names of the capital contributors or donors (for further information, please refer to the announcements of the Judicial Yuan) and their capital contribution or donation rates, respectively. If a donor has died, please further note "deceased."

If Any Major Shareholder is A Corporate/juristic Person, List its Major Shareholders in this Form

April 20, 2025

Name of corporate/juristic person	Major shareholders of the corporate/juristic person
RONG HAO INVESTMENT CO., LTD.	FOUNTAIN CHEMICAL CORP. (100%)
MAO TONG INVESTMENT CO., LTD.	XU, YUAN-ZHEN (98%), XU CHEN, AN-LAN (2%)

Note 1: If any major shareholder in Form 1 above is a corporate/juristic person, fill in the name of that corporate/juristic person.
Note 2: Fill in the names of the corporate/juristic person's major shareholders (those with a shareholding ratio ranking among the top 10) and their shareholding ratios.
Note 3: If a corporate/juristic person shareholder is not organized as a company, the shareholder names and shareholding ratios required to be disclosed as mentioned above shall be the names of the capital contributors or donors (for further information, please refer to the announcements of the Judicial Yuan) and their capital contribution or donation rates, respectively. If a donor has died, please further note "deceased."

Information on Directors(2)

(I) Disclosure of Information of Directors and the Independence of Independent Directors:

Qualification / Name	Professional qualifications and experience (Note 1)	Independence analysis (Note 2)	No. of other public companies at which the person concurrently serves as an independent director
XU, YUAN-ZHEN (Director)	Education: Master of Business Administration in Wharton School of the University of Pennsylvania, USA Experience: Director of Hua Nan Financial Holdings Co., Ltd. and vice president of EnTrust Securities Co., Limited. Expertise: With more than five years work experience in business operations, having expertise in operational judgment, leadership decision-making, industry knowledge in management, international market insights, and practical experience in high-level corporate governance practices. Other: Does not have any circumstance under any subparagraph of Article 30 of the Company Act.	(1) The four directors are all ordinary directors, so it is not apply to the regulations of independence. (2) The appointment of directors has been conducted in accordance with the Articles of Incorporation and relevant legal provisions, and there have been no violations. (3) Please find attached of this term's ordinary director qualification checklists on April 30, 2024 (see Table A for details) for the reference.	(Not applicable)
YUAN-LING LEE-HSU (Director)	Education: Master of Global Finance, New York University Experience: Director of Hua Nan Financial Holdings, Hua Nan Director of Bank, Director of Hua Nan Securities Investment Trust Co., Ltd. Expertise: Possesses over five years of experience in corporate operations, with an academic and professional background in finance. Has served as a board director for multiple companies and is well-versed in corporate governance and board operations. Other: Does not have any circumstance under any subparagraph of Article 30 of the Company Act.		(Not applicable)
XU, ZHEN-LONG (Director)	Education: Taipei Muncipal Jianguo High School Experience: Served as the chairman of the Company for several decades. Expertise: With more than five years work experience in business operations, having expertise in operational judgment, leadership decision-making, and high-level corporate governance practices in management. Other: Does not have any circumstance under any subparagraph of Article 30 of the Company Act.		(Not applicable)
LIAO, PI-CHENG (Director)	Education: Department of Chemical Engineering in the Chung Yuan Christian University Experience: Chairman of SUNSHINE SYSTEMS COMPANY. Expertise: With more than five years work experience in business operations, and a senior in the chemical industry. Within a good understanding of industry characteristics, leadership decision-making, and practical experience in management. Other: Does not have any circumstance under any subparagraph of Article 30 of the Company Act.		(Not applicable)

<table>
<tr><th>Qualification
Name</th><th>Professional qualifications and experience (Note 1)</th><th>Independence analysis (Note 2)</th><th>No. of other public companies at which the person concurrently serves as an independent director</th></tr>
<tr><td>RONG-TSUNG CHEN
(Independent director)</td><td>Education: Bachelor of Chemical Engineering, National Taiwan University, National Chengchi University Master of Business Administration
Experience: General Manager of Chang Chun Petro Chemical Co., Ltd., Director of Chang Chun Plastics Co., Ltd.
Expertise: Possesses over five years of professional experience required for corporate operations, with an academic and practical background in chemical engineering. Equipped with professional knowledge related to business management, and capable of providing guidance and oversight for the company’s core operations.
Other: Does not have any circumstance under any subparagraph of Article 30 of the Company Act.</td><td rowspan="3">All three independent directors meet the following conditions:
1. Meet the relevant provisions of Article 14-2 of the Securities and Exchange Act promulgated by the Financial Supervisory Commission and the "Regulations Governing the Appointment and Exercise of Powers by Independent Directors of Public Companies" (Note 2).
2. Neither own (or in other people’s names), the spouse nor minor children hold any shareholding of the company.
3. Specify the amount(s) of any pay received by the independent director for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years.
4. Please find attached of this term’s ordinary director qualification checklists on April 30, 2025 (see Table A for details) for the reference. Qualifications are reviewed annually, with the most recent assessment conducted on January 20, 2026, by the corporate governance unit and reported to the board of directors.
5. Note：During her tenure as an independent director, Ms. Zheng Hanyun used her legal talents to provide consultation on relevant company regulations and legal compliance.
Based on those opinions and achievements, we hope to continue to rely on her profession in the next three years, so it is recommended that she be nominated for renewal.</td><td>(None)</td></tr>
<tr><td>RONG-CHENG KAO
(Independent director)</td><td>Education: Fu Jen Catholic University Department of Statistics
Experience: Deputy General Manager of Hua Nan Bank, Supervisor of Hua Nan Investment Consulting
Expertise: Possesses over five years of experience in corporate operations, with a professional background in finance. Previously served as a senior executive at a major financial institution, and is well-versed in corporate governance as well as investment and financing operations.
Other: Does not have any circumstance under any subparagraph of Article 30 of the Company Act.</td><td>(None)</td></tr>
<tr><td>ZHENG, HAN-YUN
(Independent director)</td><td>Education: Master of Department of Law in the Fu Jen Catholic University
Experience: Lawyer of Huang & Partners Law Firm.
Expertise: With more than five years work experience in a relevant professional field, possessing knowledge of legal compliance and corporate law, which is capable of providing guidance and supervision on risk management as well as legal compliance for the company.
Other: Does not have any circumstance under any subparagraph of Article 30 of the Company Act.</td><td>(None)</td></tr>
</table>

※ Table A: Ordinary Director Qualification Checklists on April 30, 2024

Qualification Checklists for Ordinary Director Candidates

<table>
<tr><th colspan="2">Name / Qualification</th><th>XU, ZHEN-LONG</th><th>LEE-HSU YUAN-LING</th><th>XU, YUAN-ZHEN</th><th>LIAO, PI-CHENG</th></tr>
<tr><td>1. Whether the number of shareholding hold by directors comply with the regulations of publicly issued shareholding percentage of the company's directors and supervisors and rules for the implementation of audit.</td><td><table><tr><th>Paid-in capital of the company</th><th>All directors should hold a percentage or number of shares equivalent to the total number of issued shares of the company</th><th>All supervisors should hold a percentage or number of shares equivalent to the total number of issued shares of the company</th></tr><tr><td>10 to 20 billion</td><td>7.5%(Not less than 10,000 shares.)</td><td>0.75%(Not less than 1,000 shares.)</td></tr></table>※The shareholdings of independent directors appointed in publicly traded companies shall not be counted towards the aforementioned total percentage; if two or more independent directors are appointed, the shareholding percentage of all directors and supervisors other than independent directors shall be reduced to 80% of the ratio calculated in the preceding paragraph.
※If a juridical person wishes to become a director or supervisor, it shall hold company shares in the shareholder registry (i.e. the record date for share transfer suspension).</td><td colspan="4">✓</td></tr>
<tr><td>2. Whether there is compliance with Article 26-3 of the Securities and Exchange Act among directors.</td><td>1. Compliant with the provisions of Article 26-3 of the Securities Exchange Law (details omitted).
2. Compliance with the regulations set forth in Financial Supervisory Commission Letter of issue date and No.: 02.06, 2010 Financial-Supervisory-Securities-Corporate-0990005875 (details omitted).</td><td colspan="4">✓</td></tr>
<tr><td>3. Directors shall not be subject to the provisions of Article 30 of the Company Act and shall not violate the provisions of Article 197 of the Company Act.</td><td>1. Does not have any circumstance under any subparagraph of Article 30 of the Company Act.
2. Does not violate any circumstance under any subparagraph of Article 197 of the Company Act.
3. Directors and supervisors shall be subject to the aforementioned provisions (Article 192 and 216 of the Company Act).</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td></tr>
<tr><td>4. Whether the director violated any restrictions on concurrent positions.</td><td>1. Article 14 of Civil Service Employment Act: Except as provided by laws and regulations, civil servants may not concurrently hold any other official positions or engage in any other professions or businesses (including military personnel, National Defense Medical Center students, etc.)
2. Article 34 of Act Governing the Appointment of Educators: Full-time educators may not work part-time outside of the schools or hold concurrent jobs except there shall be provisions of other laws.
3. Article 4 of the Regulations Governing the Teaching and Other Staff Members Performance Evaluation at the Public School: Teach or work outside without the principal's consent during the same academic year will not receive additional pay, except where provided otherwise by law.
4. Military staff.
5. Article 146-1 of Insurance Act: For the insurance enterprise or a representative shall not be a director or supervisor of the investee company.
6. Article 222 of Company Act: A supervisor shall not be concurrently a director, a managerial officer or other staff/employee of the company.
7. Other: such as the general manger contracted employees of a farmers association.</td><td>(Non-existent situation)</td><td>(Non-existent situation)</td><td>(Non-existent situation)</td><td>(Non-existent situation)</td></tr>
</table>

Note: Corporate representative: FOUNTAIN CHEMICAL CORP. (XU, ZHEN-LONG and XU, YUAN-ZHEN),and HONGREN INVESTMENT CO. LTD. (JIAN, XIN-NAN and LIAO, PI-CHENG).

※ Table B: Independent Director Qualifications Checklist on April 30, 2024(The following items were reviewed for compliance by the Chief Corporate Governance Officer on January 20, 2026, and reported to the Board of Directors.)

Qualification Checklists for Independent Director Candidates

Qualifications	Name	CHEN RONG-TSUNG	KAO RONG-CHENG	ZHENG, HAN-YUN
One of the following professions should be obtained, and with at least five years work experience	1: An instructor or higher in a department of commerce, law, finance, accounting, or other academic department related to the business needs of the company in a public or private junior college, college, or university.	—	—	—
	2: A judge, public prosecutor, attorney, certified public accountant, or other professional or technical specialist who has passed a national examination and been awarded a certificate in a profession necessary for the business of the company.	—	—	✓
	3: Have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the company.	✓	✓	✓
Independence analysis	1: Not an employee of the company or any of its affiliates.	✓	✓	✓
	2: Not a director or supervisor of the company or any of its affiliates.	✓	✓	✓
	3: Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.	✓	✓	✓
	4: Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding subparagraph 2 and 3.	✓	✓	✓
	5: Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act.	✓	✓	✓
	6: If a majority of the company's director seats or voting shares and those of any other company are not controlled by the same person: a director, supervisor, or employee of that other company.	✓	✓	✓
	7: If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are not the same person or are spouses: a director (or governor), supervisor, or employee of the company.	✓	✓	✓
	8: A director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution do not has a financial or business relationship with the company.	✓	✓	✓
	9: Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative remuneration exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.	✓	✓	✓
Other qualifications	1: Does not have any circumstance under any subparagraph of Article 30 of the Company Act.	✓	✓	✓
	2: Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.	✓	✓	✓
	3: Number of independent director positions held in other publicly traded companies (without holding positions in more	✓(Holding	✓(Holding	✓(Holding

	than three companies).	positions at 0 company)	positions at 0 company)	positions at 0 company)

(II) Diversity and independence of the board of directors:

(i) Diversity of the board of directors:

The Company stipulates the diversity policy for the board members in the Corporate Governance Best Practice Principles. In addition to limiting the number of directors who concurrently serve as company managers to no more than one-third of the total number of directors, which includes but is not limited to the following two aspects:

1. Basic conditions and values: gender, age, nationality, and culture.
2. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

The current board of directors of the Company consists of seven members, and the specific management objectives and achievement status of the board's diversity policy are as follows:

A. Management objectives and achievement status:

A1. Gender diversity: At least one female director shall be included in the board of director members.

Achievement status: Completed.

A2. Diversification in areas: The board members cover core areas such as business management, leadership decision-making, industry knowledge, financial accounting, and law.

Achievement status: Completed. From the aforementioned (pages 10-12) Information on directors(2) regarding professional qualifications and experience, it can be seen that:

1. Director XU, YUAN-ZHEN, Director XU, ZHEN-LONG, Director LIAO, PI-CHENG,and Director CHEN RONG-TSUNG based on their educational and professional experiences demonstrate a comprehensive background in core areas such as business management, leadership decision-making, and industry knowledge. Therefore, they are capable to contribute to the core aspects of the company's operations. With their extensive academic background and professional experience in the chemical industry which are capable for serving as directors of the Company.
2. Directors LEE-HSU YUAN-LING and KAO RONG-CHENG, based on their academic and professional backgrounds, are well-versed in corporate governance and board operations. They also possess many years of practical experience in finance, funding, and investment, meeting the company’s professional requirements for directors and providing valuable insights in corporate governance and financial matters.

3. Director ZHENG, HAN-YUN, with her extensive experience in the legal field covering key aspects of board responsibilities, is a valuable asset in enhancing the professionalism and efficiency of the company's board of directors.

4. Directors XU, ZHEN-LONG and LEE-HSU YUAN-LING, with their educational background in the United States and practical experience in corporate governance, excel in leadership and possess a broad perspective on international markets.

A3. In summary, it is evident that the composition of the Board of Directors of the Company is diversified with complementary educational and professional backgrounds, gender diversity, and age diversity.

B. The Implementation of the Diversity Policy and the Status of the Board of Directors for the Company are as Follows:

Core diversity / Director name	Nationality	Gender	Basic composition								Core abilities and professional skills							
			Employee status	Age				Years of service as an independent director			Operational judgment	Financial accounting	Business management	Crisis management	Industry knowledge	International market insights	Leadership decision-making	Law
				40 to 50 years old	51 to 60 years old	61 to 70 years old	70 years old or above	Less than 3 years	3 to 9 years	9 years or more								
XU, YUAN-ZHEN	R.O.C.	Male	V	V							V	V	V	V	V	V	V	
LEE-HSU YUAN-LING	R.O.C.	Female		V							V	V	V	V	V	V	V	
XU, ZHEN-LONG	R.O.C.	Male				V					V		V	V	V	V	V	
LIAO, PI-CHENG	R.O.C.	Male					V				V		V	V	V	V	V	
CHEN RONG-TSUNG	R.O.C.	Male					V	V			V	V	V	V	V	V	V	
KAO RONG-CHENG	R.O.C.	Male					V	V			V	V	V	V			V	
ZHENG, HAN-YUN	R.O.C.	Female		V						V	V			V			V	V

(ii) Independence of the Board of Directors:

This board of directors is composed of a total of 7 directors, with 4 ordinary directors (57%) and 3 independent directors (43%), and there is one female director among both ordinary director and independent director members. There is 1 directors who concurrently serve as managers. Director Xu Yuan-Zhen and Director Li Xu Yuan-Ling are siblings, and no other directors have a relationship of spouse or relative within the second degree. Independent directors Chen Jung-Tsung and Gao Jung-Cheng are both newly appointed independent directors, with their consecutive terms not exceeding nine years. Independent director Zheng Han-Yun has served as an independent director since June 2, 2015, and has completed three terms. The Board, considering the legal expertise Zheng has demonstrated during her tenure, providing valuable advice on the company's regulations and legal compliance, has made significant contributions. The Board hopes to continue leveraging her professional skills for the next three years and, therefore, recommends her reappointment.

All board members are of local nationality. At the time of appointment, the board composition was as follows: 3 independent directors (43%), 1 employee-director among the general directors (14%), and 2 female directors (29%). The age distribution of board members is diverse; please refer to the table on the previous page for details.

The professional backgrounds and skillsets of the company's board members cover areas such as financial accounting, legal expertise, a senior in the chemical industry, and operational management, all of whom possess leadership and decision-making abilities, as well as rich knowledge and experience in the industry. Please refer to page 10-Information on directors of this annual report for the educational background, gender, and work experience of each director.

All independent directors of the current board of directors meet the regulations of the Financial Supervisory Commission Securities and Futures Bureau regarding independent directors, and there is non-existent situation between directors and independent directors under the provisions of Article 26-3, subparagraphs 3 and 4 of the Securities and Exchange Act. The company's board of directors is independent (please refer to pages 10-15 of this annual report for Disclosure of information of directors and the independence of independent directors).

Note 1: Professional qualifications and experience: Specify the professional qualifications and experience of each director and supervisor. If a member of the Audit Committee, specify their accounting or finance background and work experience. Additionally, specify whether any circumstance under any subparagraph of Article 30 of the Company Act exists with respect to a director or supervisor.

Note 2: Describe the status of independence of each independent director, including but not limited to the following: did they or their spouse or any relative within the second degree serve as a director, supervisor, or employee of the Company or any of its affiliates? ; specify the number and ratio of shares of the Company held by the independent director and their spouse and relatives within the second degree (or through nominees); do they serve as a director, supervisor, or employee of any company having a specified relationship with the Company (see Article 3, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies)?; specify the amount(s) of any pay received by the independent director for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years.

Note 3: Regarding the method for disclosure, please refer to the “SAMPLE ANNUAL REPORT” page on the website of the Taiwan Stock Exchange Corporate Governance Center.

(2) Information on Managers

Information on the Management Team

March 31, 2026

Job title (Note 1)	Nationality	Name	Gender	Date of appointment to position	Shares held		Shares held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions Concurre-ntly held in other companies at present	Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree		
					No. of shares	Share-holding ratio	No. of shares	Share-holding ratio	No. of shares	Share-holding ratio			Job title	Name	Relationship
General manager	R.O.C.	YAO, YONG-KANG	Male	01/15/2018	838	0.00%	63	0.00%	-	-	Department of Chemical and Materials Engineering in National Central University	None	-	-	-
Chief audit executive	R.O.C.	LIN, XIN-MEI	Female	04/12/1997	6,000	0.00%	-	-	-	-	Master of Business Administration in Soochow University	None	-	-	-
Associate	R.O.C.	ZHANG, QING-NONG	Male	04/01/1997	1,026	0.00%	-	-	-	-	Depart of Accounting in National Chung Hsing University	None	-	-	-

Note 1: The information in this table should be disclosed for the general manager, assistant general managers, deputy assistant general managers, and the chiefs of all the company's divisions and branch units, including all persons in positions equivalent to general manager, assistant general manager, or deputy assistant general manager, regardless of job title.

Note 2: Specify experience and qualifications related to the current position. If during a period specified above, the person has served in a position at a CPA firm that serves as external auditor/attestor, specify the position held and the duties for which the person was responsible. (None, not applicable.)

Note 3: If the general manager or person of an equivalent post (the highest level manager) and the chairperson of the board of directors of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g. increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as an employee or managerial officer). (None, not applicable.)

2.2 Remuneration to Ordinary Directors, Independent Directors, Supervisors, General manager, and Assistant General Managers

A. If any of the circumstances listed below applies to the Company, it shall individually disclose the names and remuneration items paid to each director and supervisor. Otherwise, it may opt either to disclose aggregate remuneration information, with the name(s) indicated for each remuneration range, or to disclose the name of each individual and the corresponding remuneration amount. (If individual disclosures are made, please fill in the individual's job title, name, and amounts, and it is unnecessary to fill in the Remuneration Range Table):

(a)A company that posted an after-tax deficit in the parent company only financial reports or individual financial reports in any of the three most recent fiscal years shall disclose the names and remuneration paid to individual directors and supervisors. This requirement, however, shall not apply if the company has posted net income after tax in the parent company only financial report or individual financial report for the most recent fiscal year and such net income after tax is sufficient to offset the accumulated deficits.【Note 1】

(b)A company that has had an insufficient director shareholding percentage for 3 consecutive months or longer during the most recent fiscal year shall disclose the individual directors' remuneration ; one that has had an insufficient supervisor shareholding percentage for 3 consecutive months or more during the most recent fiscal year shall disclose the individual supervisors' remuneration .【Note 2】.

(c)A company that has had an average ratio of share pledging by directors or supervisors in excess of 50 percent in any 3 months during the most recent fiscal year shall disclose the remuneration paid to each individual director or supervisor having a ratio of pledged shares in excess of 50 percent for each such month.【Note 3】

(d)If the total amount of remuneration received by all of the directors and supervisors in their capacities as directors or supervisors of all of the companies listed in the financial reports exceeds 2 percent of the net income after tax, and the remuneration received by any individual director or supervisor exceeds NT$15 million, the company shall disclose the remuneration paid to that individual director or supervisor. (Note: The amount of remuneration received by the directors and supervisors as referred to above is calculated based on the "Remuneration to directors" plus "Remuneration to supervisors" as stated in the Table and does not include any other remuneration received by employees concurrently serving in a director or supervisor position.)

(e) The Company is listed on the TWSE or TPEx and the average annual salary of the full-time non-management employees is less than NT$500,000 in the most recent fiscal year.【Note 5】

(f) If the net profit after tax of a listed TWSE or TPEx company increases by more than ten percent in the latest fiscal year, but the average annual salary of full-time employees who do not hold managerial positions has not increased com pared to the previous year. 【Note 6】

(g) If the net profit after tax of a TWSE or TPEx company declines by more than ten percent and exceeds NT$5 million, and the average remuneration per director (excluding remuneration for concurrent employee roles) increases by more than ten percent and exceeds NT$100,000 in the latest fiscal year, it shall disclose the remuneration of individual directors. 【Note 7】

B. If the circumstance in item (1) or (5) of the preceding point applies to a company listed on the TWSE or the TPEx, it shall disclose the individual remuneration paid to each of its five most senior management personnel (e.g., management personnel such as the general manager, assistant general manager(s), chief executive, or chief financial officer).

【Note 1】Example: Take the fiscal 2019 annual report prepared for the fiscal 2020 annual general meeting of shareholders ("AGM") as an example. If the Company posted an after-tax deficit in the parent company only financial report or individual financial report in any of the fiscal years from 2017 to 2019, it is required to disclose the names and remuneration paid to individual directors and supervisors. However, if it posted an after-tax deficit in the parent company only financial report or individual financial report in fiscal 2017 and/or fiscal 2018, but posted net income after tax in the parent company only or individual financial report for fiscal 2019 and such net income after tax is sufficient to offset the accumulated deficit, it is not required to make individual disclosures in the annual report for fiscal 2020.

【Note 2】Example: Take the fiscal 2009 annual report prepared for the fiscal 2010 annual general meeting of shareholders ("AGM") as an example. If the company had either an insufficient director shareholding percentage or insufficient supervisor shareholding percentage for 3 consecutive months or longer during the period from January 2009 to December 2009, it is required to disclose individual directors or supervisors' remuneration (respectively as the case may be) in the annual report for fiscal 2009. Furthermore, if it had an insufficient director or supervisor shareholding percentage shareholding percentage in January 2009 that had continued for 3 consecutive months or longer (i.e., the 3 consecutive months of November and December 2008 and January 2009), it likewise is required to make individual disclosures.

【Note 3】Example: Take the fiscal 2009 annual report prepared for the fiscal 2010 annual general meeting of shareholders ("AGM") as an example. If the company's directors as a whole had a share pledging ratio in excess of 50 percent in any 3 months (February, May and August for example) during fiscal 2009, the company is required to make individual remuneration disclosures in the 2009 annual report for each of the individual directors that had a share pledging ratio above 50 percent in each of those 3 months. Likewise, if the supervisors as a whole had an average share pledging ratio above 50 percent in any 3 months during fiscal 2009, it is required to make individual disclosures for the individual supervisors who exceeded that pledging ratio in those three months.

※Average monthly share pledging ratio of the directors as a whole = the total number of shares pledged by all of the directors / the total number of shares held by all of the directors (including the number of any shares placed in trust over which the trustor retains the power to decide the allocation thereof); average monthly share pledging ratio of the supervisors as a whole = the total number of shares pledged by all of the supervisors / the total number of shares held by all of the supervisors (including the number of any shares placed in trust over which the trustor retains the power to decide the allocation thereof).

【Note 4】Example: Take the fiscal 2021 annual report prepared for the fiscal 2022 annual general meeting of shareholders ("AGM") of a TWSE or TPEx listed company as an example. The Corporate Governance Evaluation results for a given fiscal year are usually published in April of the following year. If as of the printing date of the 2021 annual report of a TWSE or TPEx listed company, the Corporate Governance Evaluation results for the most recent fiscal year (2021) have not yet been published, the Company may proceed on the basis of the Corporate Governance Evaluation results for the year before that (i.e., fiscal 2020). Then, when the Evaluation results for 2021 are subsequently published, it will be required to make amendments to the annual report if necessary. For example, if the Company in its 2021 annual report originally discloses the aggregate remuneration information with the names indicated by range, and the subsequently published Corporate Governance Evaluation results then rank the Company in the lowest tier for 2021, the Company will be required to amend the 2021 shareholder meeting annual report and upload the amended annual report to the Market Observation Post System to fulfill its information disclosure obligations.

【Note 5】Example: Take the fiscal 2021 annual report prepared for the fiscal 2022 annual general meeting of shareholders ("AGM") of a TWSE or TPEx listed company as an example. At the time that the TWSE or TPEx listed company prepares its annual report for the most recent year (2021) for the 2022 shareholders meeting, it should already have available all the information it needs to determine the average annual salary of the full-time non-management employees in fiscal 2021. So, it can determine whether it needs to make individual disclosures of directors and supervisors' remuneration based on whether the average annual salary to those employees was less than NT$500,000 in the most recent fiscal year (fiscal 2021).

【Note 6】For example: Taking the preparation of the 2024 annual shareholders' meeting and the compilation of the 2023 annual report as an example, if the net profit after tax of a listed or over-the-counter company in 2023 increased by more than 10% compared to 2022 (if the company incurred a loss in 2022 and made a profit in 2023, this calculation should also be applied), but the average annual salary of full-time employees who do not hold managerial positions did not increase compared to 2022, individual directors' remuneration should be disclosed. Net profit after tax refers to the net profit after tax in the latest fiscal year of the individual or individual financial report. The definition and calculation method of full-time employees and their salaries shall be handled in accordance with the regulations on reporting procedures for listed companies and overseas index stock exchange-traded funds of the Taiwan Stock Exchange Corporation Limited and the regulations on reporting procedures for over-the-counter companies of the Taiwan Securities Exchange Market Foundation, as well as the regulations on reporting procedures for "information on the salaries of full-time employees who do not hold managerial positions".

【Note 7】For example: Taking the preparation of the 2024 annual shareholders' meeting and the compilation of 2023 as an example, if the net profit after tax of a listed or over-the-counter company in 2023 declines by more than 10% compared to 2022, and the amount exceeds NT$5 million (this applies to the company regardless of whether it has a net profit or loss after tax), and at the same time, the average remuneration per director (excluding remuneration for concurrent employee roles) increases by 10% and exceeds NT$100,000, the remuneration of individual directors shall be disclosed. Net profit after tax refers to the net profit after tax in the latest fiscal year of the individual or individual financial report.

Remuneration to Directors, Supervisors and Deputy General Manager

(1) Remuneration to Directors (Including Independent Directors)

Dec.31, 2025 (NT$ Thousands)

Job title	Name	Remuneration to directors								Sum of A+B+C+D and ratio to net income (Note 10)		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income (Note 10)		Remuneration received from investee enterprises other than subsidiaries or from the parent company (Note 11)
		Base remuneration (A) (Note 2)		Retirement pay and pension (B)		Director profitsharing Remuneration (C) (Note 3)		Expenses and perquisites (D) (Note 4)				Salary, rewards, and special disbursements (E) (Note 5)		Retirement pay and pension (F)		Employee profit-sharing remuneration (G) (Note 6)						
																The Company		All consolidated entities (Note 7)				
		The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	Amount in cash	Amount in stock	Amount in cash	Amount in stock	The Company	All consolidated entities (Note 7)	
Chairman	FOUNTAIN CHEMICAL CORP. (XU, YUANJEN)	0	0	0	0	598	598	0	0	598 (0.21%)	598 (0.21%)	2,302	2,302	118	118	112	0	112	0	3,130 (1.12%)	3,130 (1.12%)	無
Director	FOUNTAIN CHEMICAL CORP. (LEE-HSU YUAN-LING)	0	0	0	0	299	299	60	60	359 (0.13%)	359 (0.13%)	0	0	0	0	0	0	0	0	359 (0.13%)	359 (0.13%)	無
Director	HONGREN INVESTMENT CO. LTD. (XU, ZHEN-LONG)	0	0	0	0	299	299	120	120	419 (0.15%)	419 (0.15%)	0	0	0	0	0	0	0	0	419 (0.15%)	419 (0.15%)	無
Director	HONGREN INVESTMENT CO. LTD. (LIAO, PI-CHENG)	0	0	0	0	299	299	0	0	299 (0.11%)	299 (0.11%)	0	0	0	0	0	0	0	0	299 (0.11%)	299 (0.11%)	無
Independent director	CHEN RONG-TSUNG	360	360	0	0	0	0	228	228	588 (0.21%)	588 (0.21%)	0	0	0	0	0	0	0	0	588 (0.21%)	588 (0.21%)	無
Independent director	KAO RONG-CHENG	360	360	0	0	0	0	60	60	420 (0.15%)	420 (0.15%)	0	0	0	0	0	0	0	0	420 (0.15%)	420 (0.15%)	無
Independent director	ZHENG, HAN-YUN	360	360	0	0	0	0	60	60	420 (0.15%)	420 (0.15%)	0	0	0	0	0	0	0	0	420 (0.15%)	420 (0.15%)	無

1. Please describe the policy, system, standards and structure in place for paying for directors' remuneration and describe the relationship of factors such as the duties and

risks undertaken and time invested by the directors to the amount of remuneration paid:
The independent directors of the company receive fixed remuneration on a monthly basis and are reimbursed for transportation expenses according to their actual attendance at board meetings, and no variable remuneration is granted.

2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities /invested enterprises): None.
3. The pension (F) is recognized as an estimated liabilities and has not yet been actually paid.

Note 1: The name of each director shall be stated separately (for a corporate shareholder, the names of the corporate shareholder and its representative shall be stated separately) based on the amount of the aggregated remuneration items paid to each. If a director concurrently serves as a general manager or an assistant general manager, please complete this Table and Table 3-1, or Tables 3-2.

Note 2: This refers to director base remuneration in the most recent fiscal year (including director salary, duty allowances, severance pay, and various rewards and incentives, etc.).

Note 3: Please fill in the amount of director profit-sharing remuneration approved by the board of directors for distribution for the most recent fiscal year.

Note 4: This refers to director expenses and perquisites in the most recent fiscal year (including travel expenses, special disbursements, stipends of any kind, and provision of facilities such as accommodations or vehicles, etc.). If housing, car or other form of transportation, or personalized expenses are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base remuneration paid by the Company to the driver, but do not include it in the calculation of the director's remuneration .

Note 5: This includes any remuneration received by a director for concurrent service as an employee in the most recent year (including concurrent service as general manager, assistant general manager, other managerial officer, or non-managerial employee) including salary, duty allowances, severance pay, rewards, incentives, travel expenses, special disbursements, stipends of any kind, and provision of facilities such as accommodations or vehicles, etc. If housing, car or other form of transportation, or personalized expenses are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base remuneration paid by the Company to the driver, but do not include it in the calculation of the director's remuneration. Additionally, salary expenses recognized as share-based payment under IFRS 2—including employee share subscription warrants, new restricted employee shares, and participation in share subscription under a rights offering, etc.—should be included in the calculation of remuneration .

Note 6: This refers to employee profit-sharing remuneration (including stocks and cash) received by a director for concurrent service as an employee in the most recent fiscal year (including concurrent service as general manager, assistant general manager, other managerial officer, or non-managerial employee). Disclose the amount of profit-sharing remuneration approved or expected to be approved by the board of directors for distribution for the most recent fiscal year. If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata to the amount that was actually distributed in the preceding fiscal year. Table 1-3 should also be completed.

Note 7: Disclose the total amount of remuneration in each category paid to the directors of the Company by all companies in the consolidated financial report (including the Company).

Note 8: Disclose the names of the directors in the respective ranges into which they fall based on the sum total of the remuneration in the indicated categories paid to each director by the Company.

Note 9: Disclose the names of the directors in the respective ranges into which they fall based on the sum total of the remuneration in the indicated categories paid to each director of the Company by all companies in the consolidated financial report (including the Company).

Note 10: If the Company has already adopted the IFRS, net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note 11: a. In this column, specifically disclose the amount of remuneration received by the directors of the Company from investee enterprises other than subsidiaries.

b. If directors of the Company have received remuneration from investee enterprises other than subsidiaries, that remuneration shall be added into the amount in Column I of the Remuneration Range Table, and the name of that column shall be changed to "all investee enterprises."

c. Remuneration means remuneration received by directors of the Company for serving in capacities such as director, supervisor, or managerial officer at investee companies other than subsidiaries, including base remuneration , profit-sharing remuneration (including employee, director, and supervisor profit-sharing remuneration) and expenses and perquisites.

＊This table is for information disclosure purposes only and is not intended to be used for tax purposes, as the remuneration disclosed in this table differs from the concept of income under the Income Tax Act.

(2) Remuneration to Supervisors (Not Applicable, the Company Replaced Supervisors with Audit Committee in July 2, 2021)

(3) Remuneration to General Manager(s) and Deputy General Manager(s)

Dec. 31, 2025 (NT$ Thousands)

Job title	Name	Salary (A) (Note 2)		Retirement pay and pension (B)		Rewards and special disbursements (C) (Note 3)		Employee profit-sharing remuneration (D) (Note 4)				Sum of A+B+C+D and ratio to net income (%) (Note 8)		Sum of A+B+C+D and ratio to net income (%) (Note 8)
		The Company	All consolidated entities (Note 5)	The Company	All consolidated entities (Note 5)	The Company	All consolidated entities (Note 5)	The Company		All consolidated entities (Note 5)		The Company	All consolidated entities (Note 5)	
								Amount in cash	Amount in stock	Amount in cash	Amount in stock			
General manager	YAO, YONG-KANG	3,588	3,588	215	215	616	616	112	0	112	0	4,531 (1.63%)	4,531 (1.63%)	無

Note: a. The company provides the general manager and senior vice president one car per each for official use. b. The pension (B) is recognized as an estimated liabilities and has not yet been actually paid.

Note 1: The name of each general manager and assistant general manager shall be stated separately, based on the amount of the aggregated remuneration items paid to each. If a director concurrently serves as a general manager or an assistant general manager, please complete this table and Table (1-1), or Tables (1-2-1) and (1-2-2).

Note 2: This includes salary, duty allowances, and severance pay to the general manager(s) and assistant general manager(s) in the most recent fiscal year.

Note 3: This includes the amounts of all types of rewards, incentives, travel expenses, special disbursements, stipends of any kind, provision of facilities such as accommodations or vehicle, and other remuneration to the general manager(s) and assistant general managers(s) in the most recent fiscal year. If housing, car or other form of transportation, or personalized expenses are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base remuneration paid by the company to the driver, but do not include it in the calculation of the director's remuneration . Additionally, salary expenses recognized as share-based payment under IFRS 2-including employee share subscription warrants, new restricted employee shares, and participation in share subscription under a rights offering, etc.—should be included in the calculation of remuneration .

Note 4: This refers to employee profit-sharing remuneration (including stocks and cash) received by the general manager(s) and assistant general manager(s) as approved or expected to be approved by the board of directors for the most recent fiscal year (including concurrent service as general manager, assistant general manager, other managerial officer, or non-managerial employee). If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata to the amount that was actually distributed in the preceding fiscal year. Table 1-3 should also be completed.

Note 5: Disclose the total amount of remuneration in each category paid to the general manager(s) and assistant general manager(s) by all companies in the consolidated financial report (including the Company).

Note 6: Disclose the names of the general manager(s) and assistant general manager(s) in the respective ranges into which they fall based on the sum total of the remuneration in the indicated categories paid to each general manager and assistant general manager by the Company.

Note 7: Disclose the names of the general manager(s) and assistant general manager(s) in the respective ranges into which they fall based on the sum total of the remuneration in the indicated categories paid to each general manager and assistant general manager of the Company by all companies in the consolidated financial report (including the Company).

Note 8: Net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note 9: a. In this column, specifically disclose the amount of remuneration received by the general manager(s) and assistant general manager(s) of the Company from investee enterprises other than subsidiaries or from the parent company (if none, state "None").

b. If general manager(s) or assistant general manager(s) of the Company have received remuneration from investee enterprises other than subsidiaries or from the parent company, that remuneration shall be added into the amount in Column E of the Remuneration Range Table, and the name of that column shall be changed to "Parent company and all investee enterprises."

c. Remuneration means remuneration received by the general manager(s) and assistant general manager(s) of the Company for serving in capacities such as director, supervisor, or managerial officer at investee companies other than subsidiaries or at the parent company, including base remuneration , profit-sharing remuneration (including employee, director, and supervisor profit-sharing remuneration) and expenses and perquisites.

*This table is for information disclosure purposes only and is not intended to be used for tax purposes, as the remuneration disclosed in this table differs from the concept of income under the Income Tax Act.

(4) Names and Distributions of Employee Profit-Sharing Remuneration to Managerial Officers

Dec. 31, 2025 (NT$ Thousands)

	Job title (Note 1)	Name (Note 1)	Amount in stock dividend	Amount in cash dividend	Total	As a % of net profit
Director	Chairman	XU, YUAN-ZHEN	0	112	112	0.04
	General manager	YAO, YONG-KANG	0	112	112	0.04
	Chief audit executive	LIN, XIN-MEI	0	56	56	0.02
	Associate	ZHANG, QING-NONG	0	75	75	0.03

Note 1: Names and job titles should be disclosed individually, but profit distributions received may be disclosed in aggregate.
Note 2: Fill in the amount of employee profit-sharing remuneration (including stocks and cash) received by the managerial officers as approved or expected to be approved by the board of directors for the most recent fiscal year. If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata to the amount that was actually distributed in the preceding fiscal year. If the Company has already adopted the IFRS, net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.
Note 3: The applicable scope of "managerial officers" is defined under the 27 March 2003 FSC Order No. Taiwan-Financial-Securities-III-0920001301 as persons in the following positions:
(1) General manager(s) and equivalent level positions
(2) Assistant general manager(s) and equivalent level positions
(3) Deputy assistant general manager(s) and equivalent level positions
(4) Chief officer of the finance division
(5) Chief officer of the accounting division
(6) Other persons who have the power to manage affairs and sign for the Company
Note 4: If any director, general manager, or assistant general manager receives profit-sharing remuneration (including stocks or cash), complete this table in addition to Table 1-2.

(5) Analysis of ratio of total remuneration for net profit after tax paid by the Company and all consolidated entities during the past 2 fiscal years to directors, supervisors, general managers, and assistant general managers, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration , and its linkage to operating performance:

1. Analysis of Remuneration to Directors, Supervisors, General manager, and Deputy General Manager:

Dec. 31, 2024 (NT$ Thousands)

	2025				2024			
	Remuneration		Ratio to net profit after tax (%)		Remuneration		Ratio to net profit after tax (%)	
	The Company	Companies in the consolidated financial report	The Company	Companies in the consolidated financial report	The Company	Companies in the consolidated financial report	The Company	Companies in the consolidated financial report
Directors (Note)	5,635	5,635	2.02	2.02	6,210	6,210	1.79	1.79
General managers and deputy general managers' position	4,531	4,531	1.63	1.63	2,222	2,222	0.64	0.64
Net profit	278,349	278,349	—	—	347,358	347,358	—	—

Note: Remuneration including part-time employees.

2. Remuneration policies, standards, and packages, the procedure for determining remuneration , and its linkage to operating performance:

(1) The remuneration of directors and supervisors of the company is paid in accordance with the company's articles of association passed by the shareholders' meeting; the remuneration is determined by the board of directors after discussion by the Compensation Committee based on its value and contribution to the company's operation and the usual industry standards. In addition, if the company makes a profit for the year, up to 2% is set aside as directors' remuneration in accordance with Article 30 of the company's articles of association, and independent directors receive fixed remuneration monthly without participating in the distribution of directors' remuneration. The company also regularly evaluates the performance of directors according to the "Board of Directors Performance Evaluation Method".

(2) The remuneration for the Company's managers includes fixed salaries and bonus pay. The fixed salaries are determined based on the manager's position, experience, professional skills, years of service, and industry standards. The variable remuneration is mainly linked to the company's "operating net profit" (i.e., performance in "the core business"). The company contributes a fixed percentage to be distributed as bonuses. In general, the remuneration policy is based on some factors such as the company's business strategy, profitability, performance, and job contribution, and reference to industry salary levels. It is submitted to the remuneration committee for review and approval by the board of directors before implementation. If the company has profits, employees' remuneration will be distributed according to the provisions of the Articles of Incorporation.

(3) If there is profit at the end of each fiscal year, 1% to 1.5% of profit of the current year distributable as employees' compensation shall be appropriated, with no less than 30% of this amount allocated for the remuneration of non-executive employees, which shall be distributed in the form of stocks or cash by resolution of the Board of Directors. The remuneration distribution proposal of employees, directors and supervisors should be presented in a report to the shareholders' meeting. However, if the Company remains accumulated deficits, which should be compensated first, and then the balance can be contributed to employees, directors and supervisors' remuneration according to the above-mentioned ratio.

(4) A. The independent directors of the Company receive fixed remuneration on a monthly basis and claim for transportation expenses according to their actual attendance at board meetings, and no variable remuneration is granted.

B. Ordinary directors' remuneration is determined by the provisions of the Articles of Incorporation. The directors are entitled to receive remuneration for performing their duties in the company, regardless of the Company's operating profit or loss, and the remuneration is authorized by the board of directors based on the directors' level of participation in the company's operations, their contribution to the company's development, and industry standards. In addition, claim for transportation expenses according to their actual attendance at board meetings. If the company has profits, directors' remuneration will be distributed according to the provisions of the Articles of Incorporation.

(5) In Fiscal Year 2025, due to stable domestic demand and a gradual recovery in foreign trade, the petrochemical market showed signs of improvement. However, the impact of new policies under the Trump administration on global financial markets and the international trade order, together with persistent geopolitical risks, has led to uncertainties in production systems and global economic policies, thereby restraining global investment and trade and slowing global economic growth.

In addition, traditional industries continued inventory adjustments and end-market demand remained weak, affecting global demand for petrochemical products and significantly eroding the profitability of petrochemical manufacturers. Furthermore, capacity expansion and oversupply in mainland China, together with the crowding-out of external demand, have affected the subsequent recovery momentum of Taiwan's petrochemical industry, resulting in weak production and profitability and continued industry headwinds. Overall, in 2025, although global recovery and the stabilization of the mainland China economy resulted in relatively stable domestic conditions and stronger external demand in Taiwan, the petrochemical industry has yet to show clear signs of recovery. Accordingly, the Company's operating revenue and operating income for the year were both lower than those of the previous year. As operating performance is the primary basis for managerial compensation, the remuneration of directors concurrently serving as employees also declined for the current year. In addition, due to a decrease in non-operating income, net income after tax (the denominator) declined significantly, resulting in a corresponding decrease in the relevant ratios. Furthermore, employee compensation and directors' remuneration are calculated based on profit before tax. Accordingly, as petrochemical market conditions remained sluggish, with reduced revenue and lower non-operating income compared to the previous year, overall profit for the year declined significantly, and employee compensation and directors' remuneration were adjusted downward accordingly.

(6) As stated above, due to the Company's unsatisfactory performance in Fiscal Year 2025, managerial compensation should have declined; however, it increased during the current period. The reasons are as follows:

<i> Salary Adjustment: Salary adjustments are determined with reference to the performance of the previous year (Fiscal Year 2024). As both operating and non-operating performance improved significantly in that year, the salary adjustment was correspondingly higher.

<ii> Promotion: Due to the retirement of the former President, the position was assumed by Vice President Yao, Yung-Kang. As the positions differ in rank and responsibility, and as fixed compensation is determined at the time of appointment, the increase in remuneration was relatively higher.

(6) Remuneration of the top five top executives of listed companies (names and remuneration methods
disclosed individually) (Note 1)

Job title	Name	Salary (A) (Note2)		Retirement pay and pension (B)		Rewards and special disbursements (C) (Note 3)		Employee profit-sharing remuneration (D) (Note 4)				Sum of A+B+C+D and ratio to net income (%) (Note 6)		Sum of A+B+C+D and ratio to net income (%) (Note 7)
		The Company	All consolidated entities (Note 5)	The Company	All consolidated entities (Note 5)	The Company	All consolidated entities (Note 5)	The Company		All consolidated entities (Note 5)		The Company	All consolidated entities (Note 5)	
								Amount in cash	Amount in stock	Amount in cash	Amount in stock			
Chairman	XU, YUAN-ZHEN	1,965	1,965	118	118	337	337	112	0	112	0	2,532 (0.91%)	2,532 (0.91%)	None
General manager	YAO, YONG-KANG	3,588	3,588	215	215	616	616	112	0	112	0	4,531 (1.63%)	4,531 (1.63%)	None
Chief audit executive	LIN, XIN-MEI	823	823	49	49	141	141	56	0	56	0	1,069 (0.38%)	1,069 (0.38%)	None
Associate	ZHANG, QING-NONG	1,101	1.101	66	66	189	189	75	0	75	0	1,431 (0.51%)	1,431 (0.51%)	None

Note 1: The so-called "top five executives with the highest remuneration" refers to the company's managers, and the identification standards for relevant managers are based on the three-character Taiwan Financial Certificate issued by the Securities and Futures Management Commission of the Ministry of Finance on March 27, 2003. Letter Order No. 0920001301 stipulates the applicable scope of "managers". As for the calculation and recognition principle of "the top five with the highest remuneration", it is based on the total amount of salary, retirement pension, bonus and special expenses received by the company managers from all companies in the consolidated financial report, as well as the amount of employee remuneration (i.e. A + B + C + D), and then the top five highest remunerations will be determined after sorting. If a director concurrently serves as a former supervisor, he should fill in this form and the above form (1-1).

Note 2: This is the salary, job bonus, and severance pay of the top five executives with the highest remuneration in the most recent year.

Note 3: This is the amount of various bonuses, incentives, travel expenses, special expenses, various allowances, dormitories, cars and other in-kind provisions and other remuneration for the top five executives with the highest remuneration in the most recent year. If houses, cars and other means of transportation or exclusive personal expenses are provided, the nature and cost of the assets provided, as well as actual or fair market value rent, gas and other payments should be disclosed. If there is a driver, please add a note explaining the relevant remuneration paid by the company to the driver, but it will not be included in the remuneration. In addition, salary expenses recognized in accordance with IFRS 2 "Share-based benefits", including obtaining employee stock option certificates, new shares with restricted employee rights, and participating in cash capital increases to subscribe for shares, etc., should also be included in remuneration.

Note 4: The amount of employee remuneration (including stocks and cash) of the top five top executives approved by the board of directors for distribution in the most recent year is filled in. If it cannot be estimated, the proposed distribution amount for this year will be calculated based on the proportion of the actual distribution amount last year, and additional Complete Schedule 1-3.

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

Note 6: Net profit after tax refers to the net profit after tax of the most recent annual individual or individual financial report.

Note 7: a. This column should clearly indicate the amount of remuneration received by the company's top five top executives from reinvested enterprises outside the subsidiary or related to the parent company (if none, please fill in "None").

b. Remuneration refers to the remuneration, remuneration (including remuneration of employees, directors and supervisors) received by the company's top five executives for serving as directors, supervisors or managers of subsidiaries' external investment enterprises or parent companies, etc. Business execution fees and other related remuneration.

Note 8: Mr. Hsu Chen-Lung, the former President of the Company, stepped down on January 14, 2025. Mr. Yao Yung-Kang, formerly Executive Vice President, assumed the position of President on January 15, 2025.

*The content of remuneration disclosed in this table is different from the concept of income under the Income Tax Law. Therefore, this table is for information disclosure purposes and is not used for tax purposes.

2.3 Implementation of Corporate Governance

(1) Implementation of the Board of Directors

Implementation of the Board of Directors

1. The number of board meetings held in the most recent fiscal year was: 6 times (A). The attendance by the supervisors was as follows:

Title	Name (Note 1)	No. of meetings attended (B)	No. of meetings with entrusted attendance	Attendance rate (%) 【B/A】 (Note 2)	Remarks
Chairman	FOUNTAIN CHEMICAL CORP. Representative: XU, YUAN-ZHEN	6	0	100	
Director	FOUNTAIN CHEMICAL CORP. Representative: LEE-HSU ,YUAN-LING	5	1	83	
Director	HONGREN INVESTMENT CO. LTD. Representative: XU, ZHEN-LONG	5	0	83	
Director	HONGREN INVESTMENT CO. LTD. Representative: LIAO, PI-CHENG	6	0	100	
Independent director	CHEN RONG-TSUNG	6	0	100	
Independent director	KAO RONG-CHENG	6	0	100	
Independent director	ZHENG, HAN-YUN	4	2	67	

Other information required to be disclosed:

1. If any of the following circumstances exists, specify the board meeting date, meeting session number, content of the motion(s), the opinions of all the independent directors, and the measures taken by the Company based on the opinions of the independent directors:
   (1) Any matter under Article 14-3 of the Securities and Exchange Act: Please refer to Table 2 on the next page for details.
   (2) In addition to the matters referred to above, any dissenting or qualified opinion of an independent directory that is on record or stated in writing with respect to any board resolution: None, not applicable.
2. The status of implementation of recusals of directors with respect to any motions with which they may have a conflict of interest: specify the director’s name, the content of the motion, the cause for recusal, and whether and how the director voted: None, not applicable.
3. For a TWSE or TPEx listed company, disclose information including the evaluation cycle and period(s) of the board of directors’ self-evaluations (or peer evaluations) and the evaluation method and content. Additionally, complete Table 2(2) Implementation of

Evaluations of the Board of Directors: Please refer to Appendix 3 on the following page for details.

4. Give an evaluation of the targets that were adopted for strengthening of the functions of the board during the current and immediately preceding fiscal years (e.g., establishing an audit committee, increasing information transparency, etc.) and the measures taken toward achievement thereof.

A. Objectives and functions of the board of directors”

(1) Establishment and strengthening of functional committees (audit committee and remuneration committee):

To strengthen corporate governance, the Company has established functional committees to assist the Board of Directors in managing and overseeing the Company's operations.

The Company established an Audit Committee in 2011, composed of all independent directors, which meets at least quarterly to assist the Board in overseeing issues related to auditors, financial statements, internal controls, legal compliance, and risk management.

The Compensation Committee, composed of three independent directors, meets at least twice a year to evaluate the Company's compensation policies and systems for directors and managers from a professional and objective perspective, and to make recommendations to the Board for its decision-making.

The Sustainability Committee meets at least once a year to implement the Company's sustainability goals and strengthen sustainable governance.

(2) Strengthening decision-making efficiency, implement the corporate governance, and increasing information transparency, etc.

The Company’s board of directors has established “Corporate Governance Best Practice Principles” in November 5, 2019, with enhancing the corporate governance and strengthening the functions of the board of directors. Article 20 of the guidelines stipulates the diversity policy of the board members to improve the structure of the board of directors.

Currently, the board members have achieved education and expertise diversity, gender diversity, and age diversity.

B. The measures taken toward achievement thereof: Fully discussion at meetings, and strengthening decision-making efficiency. Important resolution of the board of directors' meeting and relevant corporate governance regulations have been uploaded to the company's website to enhance the disclosure of information by the board of directors. If any resolution of the board of directors' meeting has an impact on shareholder’s equity or should be reported in accordance with the law, the Accounting Office will enter the information into the Market Observation Post System after the meeting on time to increase information transparency.

Note 1: For a director or supervisor that is a juristic person (corporate entity), disclose the name of the corporate shareholder and the name of its representative.

Note 2: (1) If any director and supervisor left office before the end of the fiscal year, specify the date that they left office in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of board meetings held and the number of meetings they attended in person during the period they were in office.

(2) If any by-election for directors and supervisors was held before the end of the fiscal year, the names of the new and old supervisors should be filled in the table, with a note stating whether the director and supervisor left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of meetings attended in person during the period of each such director and supervisor’s actual time in office.

2. The Board of Directors Discussed Matters Related to Article 14-3 of the Securities and Exchange Act:

The board of directors	Resolution content and subsequent handling	Matters related to Article 14-3 of the Securities and Exchange Act	Independent director holds a dissenting opinion or qualified opinion
The 16th session The 6th time 03.05.2025	1. Resolution of employees and directors' remuneration .	✓	(None)
	2. Resolution of reviewing accountants.	✓	(None)
	Independent directors' opinions: None.		
	Handling of independent directors' opinions by the company: None (not applicable).		
	The resolution result: Approval by all attending directors.		
The 16th session The 10th time 11.04.2025	1.Revision of the Company's internal control system for "Computerized Information Operations."	✓	(None)
	Independent directors' opinions: None.		
	Handling of independent directors' opinions by the company: None (not applicable).		
	The resolution result: Approval by all attending directors.		
The 16th session The 12th time 03.02.2026	1.Resolution of employees and directors' remuneration .	✓	(None)
	2. Resolution of reviewing accountants.	✓	(None)
	Independent directors' opinions: None.		
	Handling of independent directors' opinions by the company: None (not applicable).		
	The resolution result: Approval by all attending directors.		

Note: Resolution of other matters not covered under Article 14-3 of the Securities and Exchange Act, omitted.

3. Implementation of Evaluations of the Board of Directors:

Evaluation cycle (Note 1)	Evaluation period (Note 2)	Scope of evaluation (Note 3)	Method of evaluation (Note 4)	Evaluation content (Note 5)
Performed once per year	01.01.2025 to 12.31.2025	The board of directors	Self-evaluation by the board	The performance evaluation of the Company's board covers the following five dimensions: 1. Degree of the board's participation in the operation of the company. 2. Enhancing the quality of the board's decision making. 3. Composition and structure of the board. 4. Election and continuing education of the directors. 5. Internal control.
Performed once per year	01.01.2025 to 12.31.2025	Individual board members	Self-evaluation by board members	The performance evaluation of individual board members cover the following six dimensions: 1. Familiarity with the goals and missions of the company. 2. Awareness of the duties of a director. 3. Degree of participation in the operation of the company. 4. Management of internal relationships and communication. 5. The director's professionalism and continuing education. 6. Internal control.
Performed once per year	01.01.2025 to 12.31.2025	Remuneration committee	Self-evaluation by remuneration committee	The performance evaluation of remuneration committee cover the following five dimensions: 1. Degree of participation in the operation of the company. 2. Awareness of the duties of the functional committee. 3. Enhancing the quality of decisions made by the functional committee. 4. Makeup of the functional committee and election of its members. 5. Internal control.
Performed once per year	01.01.2025 to 12.31.2025	Audit committee	Self-evaluation by audit committee	The performance evaluation of audit committee cover the following five dimensions: 1. Degree of participation in the operation of the company. 2. Awareness of the duties of the functional committee. 3. Enhancing the quality of decisions made by the functional committee. 4. Makeup of the functional committee and election of its members. 5. Internal control.

Performed once per year	01.01.2025 to 12.31.2025	Sustainability Committee	Self-evaluation by Sustainability Committee	The performance evaluation of Sustainable Development Committee cover the following five dimensions: 1. Degree of participation in the operation of the company. 2. Awareness of the duties of the functional committee. 3. Enhancing the quality of decisions made by the functional committee. 4. Makeup of the functional committee and election of its members. 5. Internal control.

Note 1: Fill in the cycle on which the board evaluations are performed, for example: performed once per year.

Note 2: Fill in the period covered by the board evaluation, for example: An evaluation was performed of the performance of the board of directors from 1 January 2019 to 31 December 2019.

Note 3: The scope of the evaluation should cover the performance of the board as a whole, the individual directors, and the functional committees.

Note 4: The performance evaluation methods may include internal evaluation by the board, self-evaluations by individual board members, peer evaluations by board members, evaluations external organizations or experts engaged for that purpose, or other suitable method.

Note 5: The evaluation content shall include at least the following based on the scope of the evaluation:

(1) Evaluation of the performance of the board should include at least the following: degree of the board's participation in the operation of the company; the quality of the board's decision making; composition and structure of the board; election and continuing education of the directors; internal control.

(2) Evaluation of the performance of individual directors should include at least the following: familiarity with the goals and missions of the company; awareness of the duties of a director; participation in the operation of the company; management of internal relationships and communication; the director's professionalism and continuing education; internal control.

(3) Evaluation of the performance of the functional committees: degree of participation in the operation of the company; awareness of the duties of the functional committee; quality of decisions made by the functional committee; makeup of the functional committee and election of its members; internal control.

Note 6: The performance evaluation in 2024, based on the aforementioned dimensions of self-evaluation results, which resulted in a good performance for the overall board of directors, individual board members, overall audit committee and remuneration committee.

The report of the board of directors presented on March 2, 2026 and is on file.

(2) 1. Implementation of the Audit Committee:

(1) Implementation of the Audit Committee

The number of audit committee meetings held in the most recent fiscal year was: 4 times (A). The attendance by the independent directors was as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) (B/A)(Note)	Remarks
Independent director a	CHEN, RONG-TSUNG	4	0	100	
Independent director b	KAO, RONG-CHENG	4	0	100	
Independent director c	ZHENG, HAN-YUN	2	2	50	

Other information required to be disclosed:

1. If any of the following circumstances exists, specify the board of directors meeting date, meeting session number, content of the motion(s), the outcomes of audit committee resolutions, and the measures taken by the Company based on the opinions of the audit committee:
   (1) Any matter under Article 14-5 of the Securities and Exchange Act: Please refer to the next page for details. .
   (2) In addition to the matters referred to above, any matter that was not approved by the audit committee but was approved by a two-thirds or greater majority resolution of the board of directors: None, not applicable.
2. Implementation of recusals of independent directors with respect to any motions with which they may have a conflict of interest: specify the independent director's name, the content of the motion, the cause for recusal, and whether and how the independent director voted: None, not applicable.
3. Communication between the independent directors and the chief internal audit officer and the CPAs that serve as external auditor (including any significant matters communicated about with respect to the state of the company's finances and business and the method(s) and outcomes of the communication.):
   1. Trilateral meeting: Once a year, the company holds an annual meeting before the Key Audit Matters (KAM) meeting.
      The latest three communication meetings were held on January 16, 2024; January 14, 2025 and January 20, 2026. All of them were fully communicated, and there were no special suggestions.
      The main communication topics include financial reporting, internal control and audit, and corporate governance.
   2. Bilateral communication: The company holds a meeting before each audit committee meeting (to review financial statements) every quarter, and independent directors will communicate with the internal audit director. There were four meetings before the audit committee meeting in 2025 (March 5, 2025; May 6, 2025; August 8, 2025 and November 4, 2025, there were no special suggestions). Neither party requested a meeting with accountants, so accountants were not invited to the meeting. The company holds a meeting before each audit committee meeting (to review financial statements) every quarter, and independent directors will communicate with the internal audit director. There were four meetings before the audit committee meeting in 2022 (March 18, 2022; May 3, 2022; August 5, 2022 and November 9, 2022, there were no special suggestions). Neither party requested a meeting with accountants, so accountants were not invited to the meeting.
   3. In annual meeting: When there are special requests, the company will hold communication meetings at any time. (There were 0 extraordinary meetings in 2025.)

Note:* If any independent director left office before the end of the fiscal year, specify the date that they left office in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of audit committee meetings held and the number they attended in person during the period they were in office.

* If any by-election for independent directors was held before the end of the fiscal year, the names of the new and old independent directors should be filled in the table, with a note stating whether the independent director left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of board meetings held and the number attended in person during the period of each such person's actual time in office.

(2) The Audit Committee Held 5 Times in the Fiscal Year 2024 (as to April 20, 2025) in Accordance With Article 14-5 of the Securities and Exchange Act to review matters submitted for approval:

Meeting date	Resolution content and subsequent handling	Resolution results	Handling of committee members' opinions by the company
03.05, 2025	Submitting the Company's financial statements and business report for 2024, resolution of profit distribution for 2024, and evaluation of accountants.	Approved by all attending members.	Submitted to the board of directors; Approved by all attending members; Except for the resolution of accountant's evaluation, other resolutions will be submitted for review at the annual shareholders' meeting on June 11, 2025.
05.06, 2025	Reviewed the financial statements of the Company for the first quarter.	Approved by all attending members.	Submitted to the board of directors; Approved by all attending members
08.08, 2025	Review of the Company's second-quarter financial statements.	Approved by all attending members.	Submitted to the board of directors; Approved by all attending members
11.04, 2025	Review of the Company's third-quarter financial statements, formulation of the "Audit Guidelines for Pre-approval of Non-assurance Services Provided by the Certifying Accountant," and revision of the internal control system and internal audit report.	Approved by all attending members.	Submitted to the board of directors; Approved by all attending members
03.05, 2025	Submitting the Company's financial statements and business report for 2024, resolution of profit distribution for 2024, and evaluation of accountants.	Approved by all attending members.	Submitted to the board of directors; Approved by all attending members; Except for the resolution of accountant's evaluation, other resolutions will be submitted for review at the annual shareholders' meeting on June 11, 2025.

Note: The resolution contents of the interim financial statements is only listed for reference, and it is not a matter needed to be submitted for review and approval under Article 14-5 of the Securities and Exchange Act .

(3) The Authority and Responsibilities of the Audit Committee are as Follows:

a. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act.

b. Evaluating the effectiveness of the internal control system.

c. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.

d. A matter bearing on the personal interest of a director.

e. A material asset or derivatives transaction.
f. A material monetary loan, endorsement, or provision of guarantee.
g. The offering, issuance, or private placement of any equity-type securities.
h. The hiring or dismissal of an attesting CPA, or the remuneration given thereto.
i. The appointment or discharge of a financial, accounting, or internal auditing officer.
j. Annual financial reports signed or stamped by the chairman, manager, and accounting supervisor.
k. Any other material matter so required by the other company or the Competent Authority.

2. Supervisors participate in operation of the board of directors (Not applicable, the Company replaced supervisors with audit committee in July 2, 2021)

(3) Corporate governance-implementation status and deviations from the corporate governance best-practice principles for TWSE/TPEx listed companies and the reasons

Corporate Governance-implementation Status and Deviations from“the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons

Evaluation item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
1. Has the Company established and disclosed its corporate governance best-practice principles based on“the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies”?	✓		The Company has established “Corporate Governance Best Practice Principles” in November 5, 2019, and has disclosed it on the company website: http://www.yuanjen.com/pdf/3.3.19.pdf	None
2. Shareholding structure and shareholders’ rights				
(1)Does the Company have internal operation procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?		✓	The company has established a spokesperson system, with the support of the legal department, and planned to appoint a chief corporate governance officer, who is fully capable of handling related issues.	None
(2)Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	✓		During every trading suspension period, the company reviews and keeps track of the list of major shareholders to communicate and understand their ultimate control.	None
(3)Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	✓		Financial transactions of the Company’s affiliates are operated independently, and with minor business transactions. The company actively assist its subsidiaries in establishing relevant risk control mechanisms.	None
(4)Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	✓		The company has established the Ethical Corporate Management Best Practice Principles and repeatedly reminded the staff to comply with the laws and regulations. It also disseminated the relevant letters and regulations to the competent authorities for publicity.	None
3. Composition and responsibilities of the board of directors				
(1)Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	✓		In accordance with Article 20 of the Company's Corporate Governance Best Practice Principles, subsequent re-elections have taken into account both prudent management and inheritance, as well as diversified development of members, while considering various aspects of company operation practices, legal, and financial expertise. Please refer to pages 10-16 (II) of this annual report for an	None

Evaluation item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			explanation of Diversity and independence of the board of directors.	
(2)Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee?		✓	Currently, the company has only established the remuneration committee and the audit committee, Sustainable Development Committee, As the company's financial operations are relatively simple, these two committees have fulfilled their roles and responsibilities effectively.	The establishment of other functional committees is still under consideration.
(3)Has the Company established rules and methodology for evaluating the performance of its board of directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/remuneration for individual directors and their nomination and additional office terms?	✓		The company has established relevant written method to conduct regular performance evaluations and submitted to the board of directors annually. The evaluation results are disclosed on the company website. http://www.yuanjen.com/pdf/3.3.18.pdf http://www.yuanjen.com/pdf/3.2.05.111.pdf	None
(4)Does the Company regularly evaluate its external auditors' independence?	✓		The Company's Audit Committee conducts an annual assessment of the independence and competence of the certified public accountants (CPAs) and submits the results to the Board of Directors for discussion. The Company establishes assessment criteria with reference to Article 47 of the Certified Public Accountant Act, Statement No. 10 of the Norm of Professional Ethics for Certified Public Accountants, and the framework of Audit Quality Indicators (AQIs), and evaluates the CPAs accordingly, together with the "Independence Declaration" issued by the CPAs. The most recent assessment was reviewed and approved by the Audit Committee on March 2, 2026, and subsequently approved by the Board of Directors on the same day, confirming the independence and competence of the CPAs. In addition to conducting such evaluations annually, the Audit Committee and the Board of Directors have also rotated CPAs who have served for seven consecutive years.	None

Evaluation item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			※ For details of the CPA independence assessment, please refer to Note 2.	
4. Does the TWSE/TPEx listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?	✓		As of May 2023, the company governance supervisor has been appointed, with the accounting supervisor concurrently responsible (with assistance from other units) for relevant corporate governance matters, and the original business management secretary assisting in implementing related tasks.	None
5. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders’ questions and concerns on important corporate social responsibility issues?	✓		Stakeholders can communicate smoothly through the business department or spokesperson; A stakeholders section has been established on the company's website. Please refer to the company's website for information on communication channels with various stakeholders: Shareholders: Spokesperson and Stock Agency Department (EnTrust Securities Co., Limited) Employees: Management Department (HR) supervisor Customers and suppliers: Operations Management Department supervisor.	None
6. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	✓		The Company has appointed an external professional organization, Stock Agency Department of EnTrust Securities Co., Limited to handle shareholders’ meeting affairs	None
7. Information disclosure (1) Has the Company established a corporate website to disclose information regarding its	✓		The Company has established a corporate website, and investors can access it to search or refer to the Market Observation Post	None

Evaluation item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
financials, business, and corporate governance status?			System.	
(2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?	✓		The Company has implemented a spokesperson system, and information disclosure is based on the principles of fairness and universality. Regarding an investor conference, the company follows with the regulations of Taiwan Stock Exchange Company Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities, the company holds at least one investor conference annually. It is expected to hold the financial status conference in Q2-Q3 every year, and webcasting the conference on the company website for the reference http://www.yuanjen.com/03.php?idno=19	None
(3) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?		✓	Due to limited human resources, the current annual financial report cannot be announced and filed by the end of February. However, once the financial report is approved by the board of directors, it will be promptly announced and filed to allow investors to stay updated on the company's business performance. As for the interim financial report and monthly revenue profiles, which have announced in advance for the convenience of investors to access.	The current annual financial report cannot be announced in advice.
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	✓		1. The Company maintains harmonious labor relations and values employee rights and employee wellness. 2. The Company maintains shareholders' equity, and having effective communication channels with investors, suppliers and stakeholders, also fulfilling corporate social responsibility. 3. Our directors and supervisors have participated in and submitted their required training programs in accordance with relevant regulations. The number of training hours was relatively low in 2025 due to the directors' busy schedules; this should improve this year. 4. All directors and managers have been insured with liability	None

Evaluation item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			insurance. 5. The Company has indeed implemented customer credit, risk management, and risk evaluation. In addition, within ethical corporate management, conservative and steady, the company strives for balanced profitability and sustainable operations.	
9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement. (If the Company was not included among the companies evaluated for the given recent year, this item does not need to be completed.): Please see the table below for the improvements made and priority measures taken in the Company's corporate governance evaluation in fiscal year 2024 (the 11^{th} session).				

Note: Regardless of whether “Yes” or “No” is ticked regarding the implementation status, an explanation should still be provided in in the explanation column for each item.

The Improvement Plan for the 11th Corporate Governance Evaluation of YUAN JEN ENTERPRISES CO., LTD. (2024)		
No.	Indicator	Implementation (improvement plan)
1.1	Does the company report to the shareholders' meeting regarding director remuneration, including remuneration policies, individual remuneration details, and amounts?	Pending internal discussions for improvement.
1.2	Has the company established written regulations for financial transactions with related parties, including management procedures for transactions such as purchases, sales of assets, etc., and major transactions require board approval and shareholder consent or reporting?	Will refer to industry standards to establish relevant regulations to meet scoring criteria.
1.15	Has the company established and disclosed on the company website internal regulations prohibiting directors or employees from using undisclosed information to trade securities?	Legislation for improvement has not been enacted yet, but internal personnel have been informed and cautioned to comply with laws and regulations.
1.19	Does the company's shareholders' meeting adopt live online broadcasting or upload uninterrupted recordings of the entire meeting after the shareholders' meeting?	Upload audio and video recordings for scoring purposes.
2.23	Has the company's board performance evaluation method been approved by the board of directors, stipulating that an external evaluation must be conducted at least once every three years?	It is still in the planning and improvement stage.
2.25	Have all the company's independent directors completed their training in accordance with the "Guidelines for the Implementation of Professional Development for Directors of Listed Companies"?	We urge directors to participate in further education and strive to achieve the goal by 2026.
3.13	Is the company voluntarily disclose directors and supervisors' individual remuneration in the annual report?	Because it was a forced disclosure, no points can be awarded yet.
3.21	Does the company voluntarily disclose the individual remuneration of the general manager and deputy general manager in its annual report?	Because it was a forced disclosure, no points can be awarded yet.

4.7	Does the company upload the English version of the sustainability report to the Market Observation Post System and the company's website?	The plan is scheduled to be implemented in 2026.
4.23	Does the company disclose its policies regarding the link between senior management compensation and ESG-related performance evaluations?	Implementation of the plan.
4.26	Has the company established a greenhouse gas reduction management policy, including reduction targets, implementation measures, and progress status?	Due to budget and manpower constraints, implementation is currently difficult. However, the company will actively plan for improvements and gradually implement the policy.
4.31	Does the company conduct employee satisfaction surveys regularly and disclose their implementation and improvement plans?	The plan is scheduled to be implemented in 2026.
4.32	Does the company have a personal data protection policy, and disclose its contents and implementation status?	Implementation of the plan.

Note 2：

Evaluation of the independence and suitability of certified accountants:

1. According to the Article 29 of the "Corporate Governance Best Practice Principles for Listed and OTC Companies", the company should choose a professional, responsible, and independent CPA, and should regularly evaluate the independence and suitability of the appointed CPA .
2. The Company's board of directors conducted a regular evaluation of the independence and suitability of its signing CPA, and describe the evaluation process in detail as follows: (the board of directors' meeting on March 5, 2024).

※Qualification Checklists of the Independence and Competence of the CPA in 2025※

(1) Assessment year: 2025

(2) Evaluation date: March 5,2025

(3) Evaluation objects:

Name of accounting firm	Names of CPAs
Deloitte Touche Tohmatsu Limited	CHEN QIAN-XUN
Deloitte Touche Tohmatsu Limited	ZHANG, CHUN-YI

(4) Assessment content:

The evaluation items are formulated with reference to Article 47 of the Accountant Law, Bulletin No. 10 of the Professional Ethics for Accountants of the Republic of China and the structure of the Audit Quality Index (AQI). The evaluation is as follows:

Qualification	Evaluation Result	
	CHEN QIAN-XUN	ZHANG, CHUN-YI
1: Not an employee of the company or any of its affiliates.	✓	✓
2: Not a director or supervisor of the company or any of its affiliates	✓	✓
3: Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.	✓	✓
4:Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding subparagraph 2 and 3.	✓	✓
5:Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act	✓	✓
6: If a majority of the company's director seats or voting shares and those of any other company are not controlled by the same person: a director, supervisor, or employee of that other company.	✓	✓

Qualification	Evaluation Result	
	CHEN QIAN-XUN	ZHANG, CHUN-YI
7: If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are not the same person or are spouses: a director (or governor), supervisor, or employee of the company.	✓	✓
8:A director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution do not has a financial or business relationship with the company	✓	✓
9: In addition to the audit work assigned by the company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company	✓	✓
10: Other: It is required to comply with the regulation of The Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No.10.	✓	✓
11. Whether the accounting firm has sufficient scale and resources to provide audit services to the company.	✓	✓
12. The accountant has no record of being disciplined by the Accountants Disciplinary Committee in the past two years.	✓	✓
13. Whether the audit quality index (AQI) information provided by the accounting firm is obtained and evaluated accordingly. Assessment aspects and indicators:	✓	✓
Aspect 1. Professionalism (check experience, training hours, turnover rate, professional support)	✓	✓
Aspect 2. Quality control (accountant load, audit input, case quality control review (EQCR) review situation, quality control support capabilities).	✓	✓
Aspect 3. Independence (non-audit services, client familiarity)	✓	✓
Aspect 4. Supervision (◯No external inspection deficiencies and penalties, ◯No improvement letter issued by the competent authority)	✓	✓
Aspect 5. Innovation capability (innovation planning or initiative)	✓	✓

(5) Other evaluation instructions:

1. The certified accountant must be a partner accountant of a large domestic firm and has been engaged in auditing companies above the public sector or has issued visas for more than ten years. Qualifications complete.
2. Both accountants have extensive experience in auditing and issuing visas for the company. They understand the characteristics of the company, can conduct in-depth and professional inspections and maintain good quality, and should be competent in the work of verifying and issuing visas for the company. Neither of the two accountants has provided consulting or consultancy services other than the audit of the Company. There is no risk of conflict of interest or role opposition, so there should be no doubt about their independence.
3. Other actions
   (1) Through an investigation conducted by the Company's stock unit, it was confirmed that accounts did not hold any shares in the Company.
   (2) Upon verification with the Company's HR department, accountants do not hold any positions in the company (group).
   (3) Obtain accountants's declaration of independence to confirm with a statement

of their independence.
(4) Obtain the accountant's audit quality indicator report (AQI Report).

(6) Evaluation results:

Accountants Chen Qianxun and Zhang Chunyi of Qinye Allied Accountants were appointed to issue the financial statements for this (2025) year. After evaluation, both accountants met the standards of independence and competency.

Note: The 2026 accountant evaluation exercise was completed by the board of directors on March 2,2026 Regarding the evaluation of accountants Chen Qiangxun and Zhang Chunyi of Qinye Trust, the evaluation results are consistent with independence and competency.

This time, in addition to referring to Article 47 of the Accountant Law and Bulletin No. 10 of the Professional Ethics for Accountants of the Republic of China, the framework of the Audit Quality Index (AQI) was also introduced to formulate evaluation projects and conduct evaluation.

(4)If the company has established a remuneration committee, it should disclose its composition, responsibilities and implementation status:

1.Composition and implementation status:

(1) Information on Remuneration Committee Members

Capacity (Note 1) / Qualifications / Name		Professional qualifications and experience (Note 2)	Independence analysis (Note 3)	Number of other public companies at which the person concurrently serves as remuneration committee member
Independent director (Convener)	CHEN, RONG-TSUNG	(Note a)	(Note a)	0
Independent director	KAO, RONG-CHENG	(Note a)	(Note a)	0
Independent director	ZHENG, HAN-YUN	(Note a)	(Note a)	0

Note a: Please refer to the relevant content to the remuneration committee members of the independent directors (CHEN, RONG-TSUNG, KAO, RONG-CHENG and ZHENG, HAN-YUN) with professional qualifications, experience, and independence analysis in the Information on directors (1) on page 11 and the Information on directors (2) on pages 8-16.

Note 1 Please specifically fill in the number of years of relevant work experience, and the professional qualifications and experience, and the status of independence, of each remuneration committee member. If the member is an independent director, you may add a note directing readers to refer to the relevant information in Table 1 Information on Directors and Supervisors (1). For “Capacity,” please specify whether the member is an independent director or other (if the member is the convenor, please note that fact).

Note 2 Professional qualifications and experience describe the professional qualifications and experience of each member of the remuneration committee.

Note 3 Independence analysis: Describe the status of independence of each remuneration committee member, including but not limited to the following: whether the member or their spouse or relative within the second degree of kinship serves or has served as a director, supervisor, or employee of the Company or any of its affiliates; the number and ratio of shares of the Company held by the member, their spouse, and their relatives with the second degree (or through their nominees); whether the member has served as a director, supervisor or employee of a “specified company” (see Article 6, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); the amount(s) of any pay received by the remuneration committee member for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years.

Note 4 Regarding the method for disclosure, please refer to the “SAMPLE ANNUAL REPORT” page on the website of the Taiwan Stock Exchange Corporate Governance Center.

(2) Implementation of the Remuneration Committee

1. The Company's remuneration committee has a total of 3 members.
2. The term of the current members is from July 2, 2024 to June 11, 2027. The number of remuneration committee meetings held in the most recent fiscal year was: 2 times (A). The attendance by the members was as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) (B / A) (Notes)	Remarks
Convenor	CHEN, RONG-TSUNG	2	0	100	
Member	KAO, RONG-CHENG	2	0	100	
Member	ZHENG, HAN-YUN	1	1	50	
Other information required to be disclosed: 1. If the board of directors does not accept, or amends, any recommendation of the remuneration committee, specify the board meeting date, meeting session number, content of the recommendation(s), the outcome of the resolution(s) of the board of directors, and the measures taken by the Company with respect to the opinions given by of the remuneration committee (e.g., if the salary/remuneration approved by the board is higher than the recommendation of the remuneration committee, specify the difference(s) and the reasons): None, not applicable. 2. With respect to any matter for resolution by the remuneration committee, if there is any dissenting or qualified opinion of a committee member that is on record or stated in writing, specify the remuneration committee meeting date, meeting session number, content of the motion, the opinions of all members, and the measures taken by the Company with respect to the members' opinion: Please refer to Note 3 for more details.					

Note:

(1) If any remuneration committee member left the committee before the end of the fiscal year, specify the date that they left the committee in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of remuneration committee meetings held and the number they attended in person during the period they were on the committee.

(2) If any by-election for remuneration committee members was held before the end of the fiscal year, the names of the new and old committee members should be filled in the table, with a note stating whether the member left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of remuneration committee meeting shield and the number attended in person during the period of each such person's actual time on the committee.

(3) Two remuneration committee meetings were held in this fiscal year:

Remuneration committee (Date of meeting)	Resolution content and subsequent handling	Resolution result	Handling of remuneration committee's opinions by the company
03.05, 2025	Reviewed on directors and managers' remuneration in fiscal year 2024 of the company	Approved by all committee members.	Submitted to the board of directors: Approved by all attending directors.
11.04, 2025	Reviewed on directors and employees' remuneration contribution ratio in fiscal year 2025 of the Company	Approved by all attending committee members, in addition, it is recommended to contribute 0.5% of directors' remuneration and 1.25% of employees' remuneration in fiscal year 2025.	Submitted to the board of directors: Approved by all attending directors.

2. Responsibilities: In accordance with Article 7 of the organizational regulations (scope of responsibilities):

In order to comply with the establishment of the audit committee, the amendment was approved at the board meeting on April 27, 2021 by the Company:

This committee should perform the following duties faithfully with the care of a fiduciary and submit the proposed recommendations to the board for discussion:

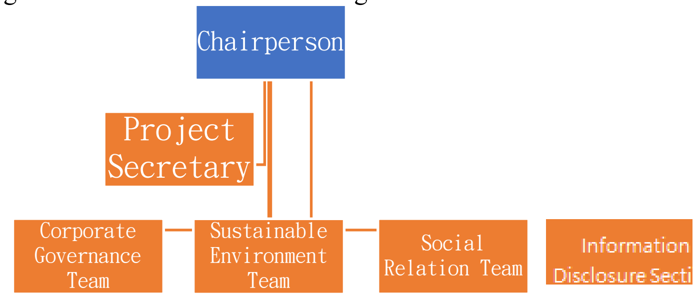
A. Regularly review the regulation and propose amendments.

B. Regularly review the performance evaluation standards, annually and long-term performance goals for the Company’s directors and managers, as well as policies, systems, standards, and structures of remuneration , which should be disclosed in the annual report.

C. Regularly evaluate the achievement of performance goals by the Company’s directors and managers, and based on the evaluation results obtained from performance evaluation standards, determine the content and amount of their remuneration . The performance evaluation results of directors and managers should be disclosed in the annual report, as well as the content and amount of their remuneration , the correlation and reasonableness with the performance evaluation results, and report them at the shareholders' meeting.

(5) Promotion of sustainable development – implementation status and deviations from the sustainable development best practice principles for TWSE/TPEx listed companies and the reasons.

Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	✓		The Company established the Sustainable Development Committee on November 5, 2024, with three independent directors serving as committee members. Various departments assist in promoting sustainability initiatives. The committee holds regular annual discussions on issues of concern to stakeholders and formulates corresponding strategies, which are reviewed by senior management and implemented through cross-departmental communication and integration to ensure effective oversight and execution..  Under the leadership of the Chairperson (President), the Project Secretary coordinates and promotes corporate sustainability efforts. Currently, the Project Secretary role is concurrently held by the Head of Corporate Governance. In addition, a Sustainability Information Disclosure Section was newly established during this period to oversee sustainability information management policies, ensure compliance with relevant regulations and international standards, and fully disclose material and reliable sustainability information to enhance transparency. It is planned to report the operation and implementation status to the	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			Board of Directors on a regular basis (at least once a year), as part of the Company's ongoing commitment to sustainable development.	
2. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 2)	✓		1. Disclose data covering various economic, environmental, and social performance of operating sites, with the risk assessments boundary primarily focused on the Taichung and Kaohsiung plants of the Company. 2. Refer to the materiality principle of GRI Standards to assess risks assessments related to relevant issues and develop corresponding strategies.	None
3. Environmental issues (1)Has the Company set an environmental management system designed to industry characteristics?	✓		Currently, the company has not implemented any external management systems (such as ISO 14001) yet; however, as the Company is in a logistics industry, almost all of products are operated by suppliers through door-to-door services. Therefore, the internal regulations should be sufficient.	Consideration of adopting external standard systems.
(2)Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	✓		1. Compliance with local environmental laws and regulations at each operating sites, the company actively engages in waste sorting and recycling, linking the manufacturing end, the usage end, and the recycling industry to maximize the recyclability of packaging materials to enable second-use recycling. Therefore, strengthening the reuse management, understanding the waste flow, and reducing plastic and waste have always been a consistent goal for the company. 2. The data for 2025 is still being compiled, there is only the data in the latest year is available for the reference. Once the ESG report for this fiscal year is completed, please refer to the company's website for further information: http://www.yuanjen.com/06.php?idno=32	None

Table of Waste Disposal Volume Unit: Metric tons / Year

Opearting site	Taichung branch office			Kaohsiung branch office		
Fiscal year / Item	2022	2023	2024	2022	2023	2024
Recyclable (Metric tons)	5.400	5.800	5.650	—	—	—
Non-Recyclable (Metric tons)	6.350	6.670	5.930	9.821	8.577	8.922
Total amount	11.750	12.470	11.580	9.821	8.577	8.922

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	

Table of Overview of Recycled Packaging Materials Used

Packaging material type	PA FIBC Bag			IBC Tank		
Fiscal year / Item	2022	2023	2024	2022	2023	2024
Shipping volume (Units)	0	0	0	129	123	120
Recycling volume (Units)	0	0	0	121	119	127
Recycling rate	0%	0%	0%	94%	97%	106%

Item	Yes	No	Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	✓		1. The evaluated relevant issues have no direct impact on the company. 2. The Company will continue to comply with regulations on energy conservation, carbon reduction, and greenhouse gas emission reduction to address the impact of climate change on its operations.	None
(4) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	✓		1. The Company adheres to the belief of sustainable environmental management and responds to global climate change issues by implementing energy conservation and carbon reduction measures, improving energy efficiency, and controlling greenhouse gas emissions The preliminary draft of our company's 2025 energy statistics is as follows. However, water usage statistics are still underway, based on data from the previous three years. Please refer to the company website for further information once the 2025 ESG report is completed.: http://www.yuanjen.com/06.php?idno=32	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	

Table of the Energy Usage Overview

Fiscal year / Energy categories/ Opearting site/	2025				2026			
	Electricity consumption (kwH)	Gasoline (Kl)	Diesel (Kl)	total	Energy consumption (kwH)	Gasoline (Kl)	Diesel (Kl)	
Taipei Headquarter	167117	43	8		163,117	19	6	
Taichung branch office	37,440	18	28		37,942	9	25	
Kaohsiung branch office	53,920	26	25		46,646	6	28	
Total	258,477	87	61		247,705	34	59	
MJ(megajoule)	930.06	2,839.26	2,143.88	5,913.20	881.90	1,079.88	2,133.28	4,095.06
Energy intensity	0.8748				0.6250			

Table of Greenhouse Gas Emissions Statistics

Fiscal year / Item		2023		2024	
		Usage	CO2 Emissions (metric tons)	Usage	CO2 Emissions (metric tons)
Scope 1	Gasoline (KL)	87	196.89	34	76.64
	Diesel (KL)	61	158.97	59	159.97
	Others	—	—	—	1.06
Scope 2	Electricity (kwH)	258,477	122.52	247,704	117.41
Total		—	478.38	—	355.08

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	

The effluent discharge standards for each branch's wastewater treatment

Main control items / Wastewater treatment plant	pH level	SS	COD	BOD	Cr	Pb	Cu	Cd
Taichung Industrial Park Wastewater Treatment Plant	5-9	400	600	400	-	1	3	0.03
Kaohsiung Gangshan Benzhou Wastewater Treatment Plant	5-9.5	330	710	260	2	1	3	0.1

Note: Water quality limits are expressed in units of milligrams per liter (mg/L), except for pH, which is dimensionless.

Table of wastewater generation and water usage Unit: Metric tons

Operating site	Taipei Headquarter			Taichung Branch			Kaohsiung Branch		
Fiscal year / Item	2022	2023	2024	2022	2023	2024	2022	2023	2024
Tap water usage	1.04	1.61	1.63	0.57	0.55	0.78	0.94	0.66	0.76
Wastewater generation	0.83	1.29	1.30	0.36	0.52	0.59	0.75	0.53	0.61
Water consumption	0.21	0.32	0.33	0.21	0.03	0.19	0.19	0.13	0.15

Item	Yes	No	Summary description	Deviations
4. Social Issues (1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	✓		Labor Rights: The Labor Standards Act is enacted to provide minimum standards for protecting workers' rights and interests. The Company strictly complies with relevant labor laws and regulations to avoid violating the law due to a lack of knowledge, or neglecting the rights of workers. To promote mutual understanding of the rights and obligations of labor and management and to foster a cohesive working environment, the company holds quarterly labor-management conference. The company culture emphasizes the importance of gender equality and strictly prohibits workplace bullying and sexual harassment. The company has established a reporting hotline to ensure human rights protection. In addition to quality and delivery time, YUAN JEN ENTERPRISES	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			CO., LTD. has recently begun planning to increase suppliers' compliance with relevant requirements of occupational safety, environmental protection, and labor rights. We aim to expand the call for our supply partners to focus on and promote sustainable development. Expanding the call to urge the supply partners in prioritizing and promoting sustainable development for the business.	
(2) Has the Company established and implemented reasonable employee welfare measures (include salary/remuneration , leave, and other benefits), and are business performance or results appropriately reflected in employee salary/remuneration ?	✓		1. The Company's salary policy and other welfare measures, in addition to providing basic protection, it will also reflect annual business performance and results in employee rummeration. For example, 1% to 1.5% of pre-tax profits are contributed as employee bonus stock. It is planned that at the Annual General Meeting on June 11, 2025, a proposal for employee compensation will be approved, with no less than 30% allocated to frontline employees. 2. Equality Employment: The Company's employment and salary standards are based on individual education, experience, professional knowledge and skills, as well as individual performance. There will be no discrimination in treatment based on gender, race, religion, political stance, marital status, or other physiological differences. Moreover, the company's starting salary standards are higher than the minimum wage set by the Labor Standards Act. To recruit talents, the company highly values the rummeration and welfare for employees, and prioritize the employment of local labor. Moreover, the company strictly prohibit the child labor. At the same time, the company's salary and welfare policies, in addition to providing basic protection, it will also reflect annual business performance and results in employee rummeration welfare timely. In recent years, the ratio of salary adjustment for female and male new hires is maintained at the same level, demonstrating YUAN JEN ENTERPRISES CO., LTD. implements equal employment for employees. Meanwhile, due to the company's profits increased and annual salary adjustments; therefore, the average and median annual salaries of full-time employees who are not in managerial positions have	None

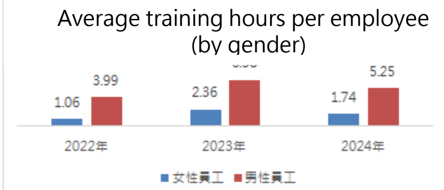
Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			both increased compared to the previous year.	
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	✓		1. The company has provided a safe and healthy working environment, and implemented operational training to remind employees of work safety through training and safety observation. 2. Occupational Safety and Health: When a fire or toxic substance leak occurs in the factory, the emergency response team will be activated immediately. Each team member will be assigned tasks based on their role and responsibilities, and the internal communication team will follow the notification procedures to inform relevant units include both on-site and off-site support systems. 3. Evaluation of toxic chemical substance leakage: The Company's toxic chemicals are all imported in their original 50-gallon drums and are stable solvents, basically, there should be no leakage problems. In case of a leak: In case of a 50-gallon drum leak, on-site employees should immediately put on protective gear and use plugging repair kits and absorbent materials to prevent further disaster. And immediately report to the on-site supervisor and relevant personnel and continue with the recovery and restoration process. Based on the potential sources of leaks and fire situations described above, the hazardous area should be limited to within the factory premises. 4. The company provides annual health examination for employees in accordance with the Labor Health Protection Regulations to ensure a healthy working environment. The company organizes disaster reduction and earthquake prevention, disaster prevention and rescue training, warehouse management work safety, and hygiene training, etc. Through a series of training, visits to related industries, participation in professional seminars and training, employees obtain relevant certificates and practical knowledge to protect themselves from	None

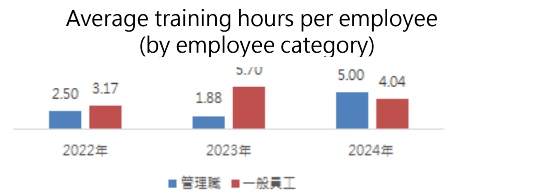
Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			occupational hazards and prevent environmental protection and occupational safety incidents. YUAN JEN ENTERPRISES CO., LTD. provides employees with a safe working environment to remind employees of work safety through training and safety observation. The total training hours provided by the company have increased year by year, especially in the area of occupational safety and health training. It actively participate in earthquake disaster prevention meetings, disaster prevention and rescue training, and chemical disaster prevention training. Investing considerable time and personnel in labor safety training demonstrates that YUAN JEN ENTERPRISES CO., LTD. highly values safety issues of employees and is taking comprehensive measures to prevent accidents. 5. The company operates in the chemical logistics industry without production line equipment. Compared to general chemical industries, the probability of occupational safety hazards for employees in the company is relatively lower. Furthermore, it is noted that there were no reported occupational accidents in the company in 2025. 6. Related disaster drills are conducted at least once a year in each zone. The company also periodically participates in disaster drills organized by other members of the industry. 7. The number of fires in our company in 2025 was 0, and there were no casualties. The company attaches great importance to disaster prevention and response for factories and employees. The relevant response measures are as shown in the previous paragraphs 1 to 6.	
(4) Has the Company established effective career development training programs for employees?	✓		1. The company recognizes that employee training can enhance the competitiveness of the business, especially in the new era where knowledge and information resources are important pillars of the knowledge-based economy. Intellectual capital has become a critical factor in obtaining productivity, competitiveness, and economic achievements. 2. Therefore, the company encourage employees to pursue	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	

continuing education while on the job, participate in various training programs , and choose relevant courses to enhance their professional skills, which can grow and prosper together with the company.

Average training hours for different categories of employees





Blue-Average training hours for Female
Red-Average training hours for Man

Blue-Average training hours for management staff

Toxic substance handlers(Note) **Training hours**	**2022**		**2023**		**2024**	
	Hours	**People**	**Hours**	**People**	**Hours**	**People**
Taichung branch office	22	2	14.5	22	2	14.5
Kaohsiung branch office	20.5	3	42.5	20.5	3	42.5

Note: Special operation personnel are located in Taichung and Kaohsiung branch offices, and there are no special operation personnel in Taipei Headquarter.

The hazardous goods transportation certificate for drivers(Note) **Training hours**	**2022**		**2023**		**2024**	
	Hours	**People**	**Hours**	**People**	**Hours**	**People**
Taichung branch office	16	1	16	16	1	16
Kaohsiung branch office	0	0	40	0	0	40

Note: The hazardous goods transportation certificate for drivers is retrained once every two years.

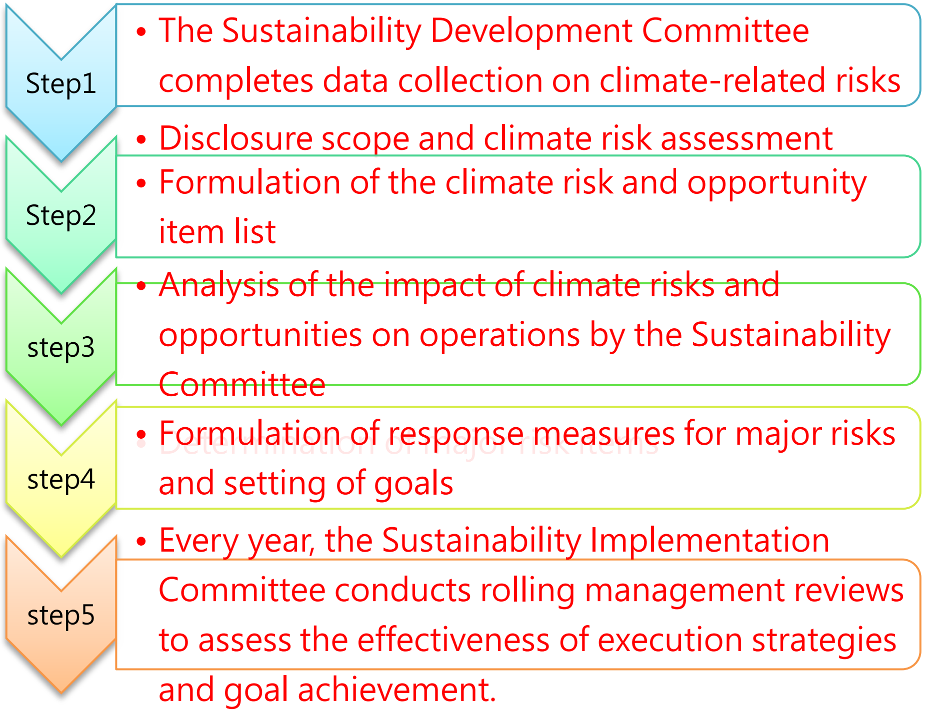
Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			3. The data of the Company for 2025 is still being compiled, there is only the data in the latest year is available for the reference. Once the ESG report for this fiscal year is completed, please refer to the company's website for further information: http://www.yuanjen.com/06.php?idno=32 4. Note: If the data is not clear, please refer to the Company's CSR report for further information: http://www.yuanjen.com/pdf/5.1.01.113.pdf	
(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	✓		1. All of the company's products are sourced from domestic and foreign manufacturers, and the products and labeling comply with relevant laws and international standards. The company also has established channels for customers to file complaints. 2. The company has implemented ISO 9001 to promote product standardization and comply with various certifications (ISO 14001, etc.) of upstream manufacturers to implement sustainable development.	None
(6) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	✓		1. The Company's major suppliers are large petrochemical plants, all of which require ESG implementation. If a supplier or customer is found to be in violation of their corporate social responsibility policy and has a significant impact on the environment and society, the company may consider terminating the business relationship or not renewing the contract. In addition, the company also asked suppliers to sign ESG-related declarations to increase their binding force. 2. Based on GRI 308, the company has implemented suppliers environmental evaluation and utilize the company's influence to demand that suppliers do not engage in activities that pollute the environment or violate human rights.	None
5. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company	✓		1. The Company has followed the core options of GRI Standards 2016 issued by Global Reporting Initiative (GRI) to prepare the corporate sustainability report, and it has been disclosed on the company's website and the Market Observation Post System	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
obtain third party assurance or certification for the reports above?			(MOPS). 2. Third-party verification was conducted by Crowe (TW) CPAs in 2024 and it will be carried out for the fiscal year 2025 as well.	
6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviation from the principles in the Company's operations: The Company refers to the common version of the Sustainable Development Best Practice Principles for enterprises, and there is no major difference between principles and operations.				
7. Other important information to facilitate better understanding of the company's promotion of sustainable development: To realize the Company's sustainable development goals and strengthen sustainability governance, the Company, in accordance with Article 27, Paragraph 3 of the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Article 9, Paragraph 1 of the "Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies," established the Sustainability Development Committee on November 5, 2024. The Committee is supported by dedicated or concurrently assigned sustainability units to implement various initiatives, which include working groups on corporate governance, environmental sustainability, and social responsibility. These cross-departmental teams are responsible for executing relevant tasks, consolidating implementation plans, and handling other sustainability-related matters, with periodic reporting of progress and outcomes to the Sustainability Development Committee.				

(6) Climate-related information for TWSE or TPEx companies

1. Execution status of climate-related information

Item	Implementation status
1. Describe the supervision and governance of climate-related risks and opportunities by the board of directors and management.	1. YUAN JEN ENTERPRISES conducts discussions and evaluations of climate risk management through the Sustainability Development Committee, and decisions related to climate change are reported to senior management by the committee chairman for performance evaluation and improvement recommendations. Annual reports on the implementation results for the year and next year's work plan are submitted to the board of directors, and opinions from the board of directors are solicited for revisions. Climate change risk-related issues and management goals are incorporated. 2. The board of directors and management oversee and govern climate risks and opportunities through committees, and the general process is as follows:

Item	Implementation status
	
2. Describe how identified climate risks and opportunities affect the company's business, strategy, and finances (short-term, medium-term, long-term).	Climate-related risks and opportunities include: 1. Transition Risks: (1) Changes in local regulations leading to increased operating costs, (2) Changes in customer demand leading to reduced orders. 2. Physical Risks: (1) High temperatures, (2) Water scarcity, (3) Power restrictions, (4) Typhoons and floods, earthquakes, etc. 3. Opportunities: (1) Energy conservation, (2) Enhancement of resource efficiency, (3) Development of new products/technologies with lower energy consumption to meet customer demands. 4. Climate risks are beyond the control of Yuanzhen Corporation; therefore, flexible responses are necessary in the short, medium, and long term to avoid procurement interruptions and customer material

Item	Implementation status
	shortages.
3. Describe the financial impact of extreme weather events and transition actions.	1. Extreme weather events include: (1) Immediate physical risks mainly stem from single events, such as earthquakes, tornadoes, hurricanes, or floods, increasingly severe extreme weather events. (2) Long-term physical risks refer to long-term changes in climate patterns, such as changes in rainfall patterns, extreme climate changes, rising average temperatures, rising sea levels, etc. 2. The financial impact of transition actions: Changes in local regulations leading to increased operating costs, increased operational costs (such as compliance costs and increased premiums), policy changes leading to asset write-offs and premature scrapping, cost increases and/or reduced demand for products and services due to fines and judgments.
4. Describe how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	1.Our company follows the Task Force on Climate-related Financial Disclosures (TCFD) framework to identify and mitigate risks and seize opportunities related to climate in financial dimensions, and to formulate strategies to mitigate potential financial losses and assess potential opportunities. 2.Our company establishes cross-departmental task forces coordinated by the Sustainability Development Committee to convene high-level executives from various units for cross-departmental communication, identify various risks and opportunities related to climate change, define high, medium, and low risks, and set short-term "1-3 years", medium-term "3-5 years”, and long-term "6-10 years" identification and assessment. 3.The relevant assessment management process is as follows: (1) Data collection: Reference to industry advances and considerations for adaptation. (2) Scope of risk and operational assessment: Initially focused on the

Item	Implementation status
	boundaries of northern, central, and southern Taiwan. (3) Risk and operational impact analysis: Regular updates every three years for identification. (4) Strategy and planning: Formulation of relevant response measures and turning crises into opportunities. (5) Indicators and objectives: Setting short, medium, and long-term goals for gradual implementation.
5. If scenario analysis is used to assess resilience to climate change risks, explain the scenarios, parameters, assumptions, analysis factors, and major financial impacts used.	Our company plans to refer to the TCFD's climate-related scenario analysis, using both quantitative and qualitative analyses to take corresponding measures. In the future, we will discuss short, medium, and long-term interval definitions in the Sustainability Implementation Committee meeting, set "1-3 years" as short-term, "3-5 years" as medium-term, and "6-10 years" as long-term, and conduct climate risk and opportunity assessments accordingly. Climate risk types include transition risks and physical risks, further categorized into policy and regulations, technology, market, reputation, and immediate and long-term aspects. Opportunities are categorized into resource efficiency, energy sources, products and services, market, and organizational resilience.
6. If there are transformation plans to address climate-related risks, please explain the content of these plans, as well as the indicators and goals used to identify and manage physical risks and transition risks.	1. Our company currently does not have detailed transformation plans to address climate-related risks, and is currently only planning: (1) Compliance with legal regulations, increasing relevant risk disclosures to avoid administrative penalties and litigation risks. (2) Close attention to new technologies in the petrochemical industry, procurement of low-carbon energy-saving products. (3) With climate change, climate-related risks and opportunities will be considered in procurement through supply and demand. (4) As our company belongs to the chemical trading and logistics industry with minimal energy consumption, we will work together with upstream suppliers to advance towards sustainable development. 2.Indicators and objectives: To reduce the impact on the surrounding environment during operations, we invest resources in environmental indicators, such as

Item	Implementation status
	energy conservation, water resource utilization efficiency, pollution prevention, and hazardous substance management, to pursue the vision of sustainable development. Planning for greenhouse gas inventories: Yuan Jen Enterprises completed its greenhouse gas inventory audit of its sole proprietorship in 2026 and expects to complete the audit of the sole proprietorship's certainty in 2028; subsidiary companies (including the subsidiaries included in consolidated financial statements) should complete greenhouse gas inventories in 2027 and assurance in 2029. Other specific indicators and objectives for identifying and managing physical risks and transition risks are still under discussion.
7. If internal carbon pricing is used as a planning tool, please explain the basis for price determination.	Our company does not currently use internal carbon pricing as a planning tool, but we will consider relevant planning based on industry practices in the future.
8. If climate-related targets are set, please explain the activities covered, greenhouse gas emission scopes, planning schedules, annual progress, etc. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these goals, please explain the sources and quantities of the offset carbon emissions or the number of RECs.	1. Our company has not yet established climate-related goals. 2.As our company belongs to the chemical trading and logistics industry with minimal energy consumption, carbon emissions are much lower compared to traditional chemical manufacturing industries upstream and downstream. However, we will still collaborate with upstream suppliers to address new energy issues and share environmental sustainability responsibilities.
9. Greenhouse gas inventories, assurance status, reduction targets, strategies, and specific action plans (to be filled in sections 1-1 and 1-2).	1. According to the "Timeline for Sustainable Development of Listed and OTC Companies". our company, which belongs to the category of companies with a capital of less than NT$5 billion, should complete the greenhouse gas inventory (in 2026) and verification (in 2028) in the third stage. Our subsidiary companies (including the subsidiaries included in consolidated financial statements) should complete the greenhouse gas inventory (in 2027) and verification (in 2029) in the fourth stage. 2. If there is early completion of the inventory and verification, it will be disclosed in accordance with the law and regulations.

Note: Please refer to the ESG report for further information: http://www.yuanjen.com/06.php?idno=32

1-1. Recent Two-Year Greenhouse Gas Inventory and Verification Status

1-1-1 Greenhouse Gas Inventory Information

Provide details on the greenhouse gas emissions (metric tons CO2e), intensity (metric tons CO2e/million NT$), and data coverage for the past two years.
1. 1. Please refer to the attached table for greenhouse gas emissions. The preliminary draft of the 2025 inventory is shown below. Complete information will be disclosed in the sustainability report. http://www.yuanjen.com/06.php?idno=32. 2. Data coverage: Individual (parent) company, Taiwan.

Scope 1	Total Emissions (metric tons CO2e)	Intensity (metric tons CO2e/million NT$)
2024	355.86	0.0526
2025	237.67	0.0363
Scope 2	Total Emissions (metric tons CO2e)	Intensity (metric tons CO2e/million NT$)
2024	122.52	0.0181
2025	117.41	0.0179

Note 1: Direct emissions (Scope 1, directly from sources owned or controlled by the company), energy indirect emissions (Scope 2, from purchased electricity, heat, or steam), and other indirect emissions (Scope 3, emissions from activities not classified as energy indirect, from sources not owned or controlled by the company).

Note 2: Data coverage for direct emissions and energy indirect emissions should follow the schedule specified in Article 10, paragraph 2 of this regulation, while information on other indirect emissions may be voluntarily disclosed.

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

Note 4: Intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but at least revenue (in million NT dollars) should be disclosed.

1-1-2 Greenhouse Gas Verification Information

Provide an explanation of the verification status for the past two years as of the date of the annual report printing, including the scope, verifying entity, verification criteria, and verification opinion.
According to the "Timeline for Sustainable Development of Listed and OTC Companies", our company's individual entity should complete verification in 2028, and our subsidiary companies should complete verification in 2029. Other information: None (not applicable for now).

Note 1: According to the provisions of Article 10, paragraph 2 of this regulation, if the company fails to obtain a complete greenhouse gas verification opinion by the date of printing of the annual report, it shall indicate "Complete verification information will be disclosed in the Sustainability Report" if the company has prepared a sustainability report. If the company has not prepared a sustainability report, it shall indicate "Complete verification information will be disclosed on the Market Observation Post System", and complete verification information shall be disclosed in the next year's annual report.

Note 2: Verification entities should comply with the relevant regulations of the Taiwan Stock Exchange Corporation and the Taiwan OTC Exchange Foundation regarding sustainability report verification agencies.

Note 3: Disclosure content can refer to the best practice examples on the Taiwan Stock Exchange Corporate Governance Center website.

1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Describe the baseline year and data, reduction targets, strategies, specific action plans, and the status of achieving reduction targets.
According to the "Timeline for Sustainable Development of Listed and OTC Companies", our company will complete the greenhouse gas inventory for merged companies in 2027. Therefore, the baseline year for greenhouse gas reduction will be set at 2026. Data, reduction targets, strategies, specific action plans, and the status of achieving reduction targets: None (not applicable

for now).

Note 1: Should be conducted according to the schedule specified in Article 10, paragraph 2 of this regulation.

Note 2: The baseline year should be the year when the inventory is completed within the boundary of the consolidated financial statements. For example, for companies with a capital of over NT$ 10 billion, the inventory for 2024 should be completed in 2025, so the baseline year is 2024. If the inventory of consolidated financial statements is completed earlier, that earlier year can be used as the baseline year. The data for the baseline year can be calculated as a single year or an average of multiple years.

Note 3: Disclosure content can refer to the best practice examples on the Taiwan Stock Exchange Corporate Governance Center website.

(7) Implementation status and measures of company's ethical corporate management:

Implementation Status of Ethical Corporate Management

Evaluation item	Implementation status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
1. establishment of ethical corporate management policies and programs				
(1) Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	✓		Ethics is the guiding principle of the company's operation, the Company has established the Ethical Corporate Management Best Practice Principles, which is implemented actively and disclosed on the company's website, Handbook and annual report in publications.	None
(2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?	✓		The Company has established the Ethical Corporate Management Best Practice Principles, which is fully implemented and relevant subsidiary laws are continually revised.	None
(3) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	✓		The company has implemented a multi-level responsibility system, credit evaluation meetings, and risk management as well as internal controls and audits to effectively prevent any unethical issues.	None
2. Ethical Management Practice				
(1) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	✓		The company values the ethics of its counterparties and conducts evaluation accordingly. However, due to the large number of suppliers and customers, it is currently not feasible to evaluate the ethics of every transaction.	None
(2) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	✓		To establish a sound management system for ethical management, the Company has appointed the Management Department to formulate and supervise the implementation of practices and preventive measures for ethical management practices, which will be reported to the Board of Directors.	None
	✓		The Company has provided appropriate channels for stakeholders to proactively disclose any potential conflicts of	None

Evaluation item	Implementation status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
(3) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies? Evaluation item and implementation status (Note) as well as Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons? (4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits? (5) Does the company provide internal and external ethical corporate management training programs on a regular basis?	✓ ✓		interest they may have with the company to prevent conflicts of interest and to identify, supervise, and manage the risks of potential unethical behavior resulting from such conflicts. The Company has gradually implemented ethical management. The company periodically promotes it in internal meetings, and employees are encouraged to seek external training voluntarily.	None The regular education and training are still pending to be implemented.
3. Implementation of Complaint Procedures (1) Has the company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle-blowers? (2) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner? (3)Has the company adopted proper measures to protect	✓ ✓		The company has established a smooth grievance channel for whistle-blowers, and it is implemented in accordance with the Ethical Corporate Management Best Practice Principles. The management department is responsible for receiving and handling reports. 1. The Ethical Corporate Management Best Practice Principles and related rules have been established. 2. The company has established a grievance system that allows stakeholders to report any unethical behavior of internal personnel from YUAN JEN ENTERPRISES CO., LTD. through the channel, and a dedicated person is responsible for receiving and investigating the reports. The whistle-blower's personal information is strictly protected, and if the report is substantiated, the company promises not to treat the whistle-blower unfairly afterwards. The Company did not receive any whistle-blowing letters related to violations of ethical management practice in 2025.	None Fully implemented, and reported to the Board of Directors. None

Evaluation item	Implementation status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
whistle-blowers from retaliation for filing complaints?	✓		The company strictly maintains the confidentiality of whistle-blowers. Apart from the Management Department supervisor and the chairman who handle the matter, no one else is aware of the identity of the whistle-blower, so there should be no risk of implicating the informant.	
4. Strengthening Information Disclosure Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	✓		The company's website, Handbook, annual reports, etc., have all disclosed ethics as the company's business policy and revealed the Ethical Corporate Management Best Practice Principles.	None
5. If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviations between the principles and their implementation: It is gradually implemented in compliance with the regulations, and no difference.				
6. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies (e.g., the company's reviewing and amending of its ethical corporate management best practice principles) 1. All of the company's products are labeled as qualified, and bulk goods are weighed at upstream or other public scales, with fairness and transparency. And based on the upstream factory report or according to customer demands, the company commissions third-party notary inspection agencies to issue inspection reports to ensure the products are reliable and dependable. The company also frequently remind employees not to engage in soliciting and receiving bribes. In case of any customer complaints, the company promptly contacts the upstream suppliers to clarify the responsibility and uphold the consistent stance of the company's ethical management practices. 2. Annual meetings are held with suppliers to keep track of product market trends. Supervisors and internal auditors are also kept informed of supplier pricing and discount models to minimize the risk of employee misconduct.				

(8) Other important information that enhances understanding of the Company's Corporate Governance Best Practice Principles may also be disclosed: None.

(9) The implementation status of the internal control system should disclose the following items:

1. Internal Control Statement:
   Please refer to the Market Observation Post System (MOPS) > Specific Company > Corporate Governance > Company Rules/Internal Control > Internal Control Statement Announcement (Stock Code: 1725)
   https://mops.twse.com.tw/mops/#/web/t06sg20
2. If a CPA is commissioned to conduct a special audit of the internal control system, the CPA's audit report should be disclosed: None.

(10) Major Resolutions of the Shareholders' Meeting and the Board of Directors in the Most Recent Fiscal Year and up to the Date of Printing of this Annual Report

1.Sareholders' Meeting:

(1) The Company's Annual General Meeting for Fiscal Year 2025 was convened on June 11, 2025. Resolutions passed by the shareholders present at the meeting included: a. the Business Report and Financial Statements for Fiscal Year 2024, the proposal for earnings distribution, and the proposal to amend the Articles of Incorporation, among others.

(2) Implementation status of resolutions adopted at the 2025 Annual Shareholders' Meeting:

(i) Subject: Approval of the Business Report and Financial Statements for Fiscal Year 2024.
Implementation status: Completed.

(ii) Subject: Approval of the earnings distribution for Fiscal Year 2024 (cash dividend of NT$1.25 per share).
Implementation Status: This proposal was implemented by resolution of the Board of Directors on June 11, 2025, as follows:
The schedule for cash dividend distribution was set as follows:
(1) Ex-dividend record date: July 7, 2025
(2) Ex-dividend trading date: July 1, 2025
(3) Last book closure date: July 2, 2025
(4) Cash dividend payment date: July 25, 2025
The implementation has been completed.

(iii) Subject: Amendment to the Articles of Incorporation, among others.
Implementation Status:
(a) The amendment registration was completed on July 29, 2025.
(b) The definition of base-level employees is reviewed annually. The most recent review was conducted at the Board meeting on January 20, 2026, where the scope of base-level employees was clearly defined as those who are not managerial personnel and whose salaries fall below a specified threshold. The threshold amount is determined in accordance with the amount announced annually under Article 2, Paragraph 2 of

the Regulations Governing Additional Tax Deductions for Salary Increases of Small and Medium-Sized Enterprise Employees.

2.Board of Directors: (Please also refer to the relevant material information and announcements published on the Market Observation Post System.)

During Fiscal Year 2025 and up to the date of printing of this Annual Report, the major resolutions of the Board of Directors are summarized as follows:

(1) January 14, 2025: Proposal for the appointment of the President, proposal for investment in Thailand, proposals for bank borrowings, among others.

(2) March 5, 2025: Approval of the 2024 financial statements, proposals for employee compensation and directors' remuneration, proposal for earnings distribution, evaluation of the independent auditors, convening of the 2025 Annual General Meeting, proposal for election of directors, submission of the 2024 Internal Control System Statement, proposal to amend the Articles of Incorporation, proposals for bank borrowings, among others.

(3) May 6, 2025: Approval of the first-quarter financial report, proposals for bank borrowings, among others.

(4) June 11, 2025: Proposal for distribution of cash dividends and ex-dividend arrangements, proposals for bank borrowings, among others.

(5) August 8, 2025: Approval of the second-quarter financial report, submission of the Company's "2024 Sustainability Report," proposals for bank borrowings, among others.

(6) November 4, 2025: Approval of the third-quarter financial report, proposal to adopt the Company's "Procedures for Pre-Approval of Non-Assurance Services Provided by Independent Auditors," submission of the 2025 internal audit plan, proposal to amend the internal control system, proposals for bank borrowings, among others.

(7) January 20, Proposal regarding the definition of base-level employees, proposal for the refund of excess remittance relating to the Thailand investment, among others.

(8) March 2, 2026: Approval of the 2025 financial statements, proposals for employee compensation and directors' remuneration, proposal for earnings distribution, evaluation of the independent auditors, convening of the 2026 Annual General Meeting, proposal for election of directors, submission of the 2025 Internal Control System Statement, proposals for bank borrowings, among others.

(11) If there are no recorded or written statements from directors or supervisors who have different opinions on important decisions passed by the board of directors in the last year and as of the date of publication of the annual report: None (not applicable).

2.4 Information Regarding the Company's Audit Fee and Independence:

(1) Information Regarding the Company's Audit Fee and Independence

Information on CPA (External Auditor) Professional Fees

Name of accounting firm	Names of CPAs	Period covered by the CPA audit	Audit fees	Non-audit fees	Total	Remarks
Deloitte Touche Tohmatsu Limited	CHEN QIAN-XUN	2025-01-01 ～ 2025-12-31	2,300	478	2,778	
	ZHANG, CHUN-YI	2025-01-01 ～ 2025-12-31				

Please specify the services for which the non-audit fees were paid: (e.g., tax certification, assurance, or other financial consultation and advisory services):
(1) Tax compliance audit for NT$180 thousands (2) Typing and printing miscellaneous expenses for NT$128 thousands. (3) English financial statement translation fee: NT$170 thousands.

Note: If the Company changed its CPAs or accounting firm during the fiscal year, list the audit periods before and after the change separately, and specify the reason for the change in the "Remarks" column and disclose sequentially the audit and non-audit fees paid. For non-audit fees, additionally specify the content of the services.

If the company has any of the following situations, it should disclose the following information:

1. It should disclose the amount and reasons for the change in audit fees between the current year and the previous year, when changing accounting firms and experiencing a decrease in audit fees: None(Not applicable).
2. It should disclose the decreasing amount, percentage, and reasons in audit fees when the decrease in audit fees compared to the previous year is more than 10%: None(Not applicable).

2.5 Information on Replacement of CPAs: (If the company has changed its accountants during the last two fiscal years or subsequent interim period, it should disclose the following information)

(1) Information regarding the former CPAs:

<table>
<tr><td>Date of replacement</td><td colspan="3">None(Not applicable)</td></tr>
<tr><td>Reason for replacement and explanation</td><td colspan="3">None(Not applicable)</td></tr>
<tr><td rowspan="3">Describe whether the Company terminated or the CPAs terminated or did not accept the engagement</td><td>Circumstances/Parties</td><td>CPAs</td><td>The Company</td></tr>
<tr><td>Terminated the engagement</td><td colspan="2" rowspan="2">None(Not applicable)</td></tr>
<tr><td>No longer accepted (discontinued) the engagement</td></tr>
<tr><td>If the CPAs issued an audit report expressing any opinion other than an unqualified opinion during the 2 most recent years, specify the opinion and the reasons</td><td colspan="3">None (not applicable)</td></tr>
<tr><td rowspan="6">Disagreement with the Company?</td><td rowspan="4">Yes</td><td></td><td>Accounting principles or practices</td></tr>
<tr><td></td><td>Disclosure of financial reports</td></tr>
<tr><td></td><td>Audit scope or steps</td></tr>
<tr><td></td><td>Other</td></tr>
<tr><td>No</td><td>V</td><td></td></tr>
<tr><td>Specify details</td><td colspan="2"></td></tr>
<tr><td>Other disclosures (Any matters required to be disclosed under sub-items d to g of Article 10.6.A)</td><td colspan="3">None</td></tr>
</table>

Note: The Company’s accountants were originally Accountant ZHANG, GENG-XI and Accountant ZHANG, CHUN-YI from Deloitte Touche Tohmatsu Limited. Due to internal business adjustments at the firm, accountants have been changed to Accountant CHEN,QIANG-XUN and Account ZHANG, CHUN-YI.

(Other disclosure requirements related to changing accountants: Not applicable, omitted.)

(2) Information Regarding the Successor CPAs

Name of accounting firm	None(Not applicable)
Names of CPAs	None(Not applicable)
Date of engagement	None(Not applicable)
Subjects discussed and results of any consultation with the CPAs prior to the engagement, regarding the accounting treatment of or application of accounting principles to any specified transaction, or the type of audit opinion that might be issued on the company's financial report	None
Successor CPAs' written opinion regarding the matters of disagreement between the Company and the former CPAs	None

(3) The reply letter from the former CPA regarding the Company's disclosures regarding the matters under Article 10.6.A and 10.6.B(c) of the Regulations: Not applicable.

2.6 The employment of the company's chairman, general manager, financial or accounting manager with the firm of the auditing CPA or its affiliated businesses in the past year: None, not applicable.

2.7 Particulars about changes in shareholding and equity pledge of directors, supervisors, managers, and shareholders holding more than 10% of the company's shares in the past year and as of the date of publication of the annual report:

Please refer to the Market Observation Post System (Stock Code: 1725):

(1) Share Transfer: MOPS > Specific Company > Shareholding Changes / Securities Issuance > Share Transfer Information Inquiry > Insider Shareholding Change Post-Reporting Form
⇒ https://mops.twse.com.tw/mops/#/web/query6_1

(2) Changes in Pledged Shares: MOPS > Specific Company > Shareholding Changes /
Securities Issuance > Insider Pledge/Release of Pledge > Insider Pledge/Release Announcement
⇒ https://mopsov.twse.com.tw/mops/web/STAMAK03_1

※**Information on Transfers of Shareholding** **and** **Information on Pledges of Shareholding**: The listed pledgees are all financial institutions, not related parties, so it is not applicable.

2.8 Information of shareholding percentage is among the top ten of the company major shareholders and the related parties under Financial Accounting Standards Board Statement No. 6 are within the spouses or the second degree of kinship.

Relationships Among the Top 10 Shareholders

Name (Note 1)	Shares Held in Person Shares Held		Shares held by Spouse and Children of Minor Age (Note 2)		Children of Minor Age (Note 2)		Title or Name and Relationship of Top 10 Shareholders who Are Related Parties or Each Other's Spouse and Relative within the Second Degree of Kinship (Note 3)		Remarks
	Number of Shares	Shareholding Percentage %	Number of Shares	Shareholding Percentage %	Number of Shares	Shareholding Percentage %	Company Name (or Name)	Relationship	
Yuan Ding Investment Co., Ltd.	61,516,557	33.83%	0	0	0	0	None	None－	
→Xu Chen Anlan	0	0	0	0	0	0	Yongchang Investment Co., Ltd.	chairman	
FOUNTAIN CHEMICAL CORP.Ltd.	19,340,657	10.64%	0	0	0	0	Ronghao Investment Co., Ltd.	director	
→ Xu Bowei	0	0	0	0	0	0	Yongchang Foundation	chairman	
Hongchang Investment Co., Ltd.	17,990,408	9.89%	0	0	0	0	None	None	
→ Chen Anqi	0	0	0	0	0	0	Yuanxiang Investment Co., Ltd.	chairman	
Yongchang Investment Co., Ltd.	17,866,625	9.83%	0	0	0	0	None	None	
→Xu Chen Anlan	0	0	0	0	0	0	Yuan Ding Investment Co., Ltd.	chairman	
Yuanxiang Investment Co., Ltd.	15,344,478	8.44%	0	0	0	0	None	None－	
→Chen Anqi	0	0	0	0	0	0	Hongchang Investment Co., Ltd.	chairman	

Ronghao Investment Co., Ltd.	13,259,614	7.29%	0	0	0	0	FOUNTAIN	director	
→ Cai Mingcong	0	0	0	0	0	0	Hung hwa trading co., ltd.Xinhe	chairman	
Xinhe Chemical Co., Ltd.	8,288,122	4.56%	0	0	0	0	None	None－	
→ Cai Mingcong	0	0	0	0	0	0	Hung hwa 、Ronghao	chairman	
Hung hwa trading co., ltd.	5,869,729	3.23%	0	0	0	0	—	—	
→ Xu Yuanzhen	0	0	0	0	0	0	The company	chairman	
Handing industrial co., ltd.	3,261,948	1.79%	0	0	0	0	—	—	
→ Xu Bowei	1,463,521	0.80%	0	0	0	0	Yongchang Foundation	chairman	
Yongchang Foundation	2,064,678	1.14%	0	0	0	0	—	—	
→ Xu Bowei	0	0	0	0	0	0	Handing industrial co., ltd.	chairman	

Note 1: All of the top 10 shareholders should be listed, and the names of corporate/juristic person shareholders and their representatives should be listed separately.

Note 2: The shareholding ratio (%) is calculated as the total numbers of shares respectively held by the shareholder, their spouse and minor children, or through nominees.

Note 3: Disclose the relationships among the above-listed shareholders, including corporate/juristic person shareholders and natural person shareholders, in accordance with the provisions of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

2.9 The combined shareholding percentage of a company, its directors, supervisors, managerial officers and directly or indirectly controlled by the company in the same re-invested businesses, which shall be calculated and consolidated

Total Ownership of Shares in Investee Enterprises

Unit: Shares; %; March 31, 2026

Investee enterprise(Note1)	Investment by the Company		Investment by the Directors, Supervisors, Managerial Officers and Directly or Indirectly Controlled Entities of the Company		Total investment	
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio
YUANXIN INVESTMENT CO., LTD.	18,000,000	100.00%	—	—	18,000,000	100.00%
YUANJEN HOLDINGS LIMITED	12,500,000	100.00%	—	—	12,500,000	100.00%
YUANJEN INTERNATIONAL LIMITED	300,000	100.00%	—	—	300,000	100.00%
YUANJEN CHEMICAL TRADE LIMITED COMPANY (SHANGHAI)	— (Note 2)	100.00%	—	—	—	100.00%
ENTRUST CHEMICAL COMPANY LIMITED	12,000,000	100.00%	—	—	12,000,000	100.00%
YUANJEN CHEMICAL TRADE LIMITED COMPANY (GUANGZHOU)	— (Note 2)	100.00%	—	—	—	100.00%
YUANJEN CHEMICAL (VN) CO., LTD.	— (Note 2)	100.00%	—	—	—	100.00%

Note 1: This refers to investee enterprises in which the Company makes long-term investment calculated according to the equity method.
Note 2: Companies in Shanghai, Guangzhou, and Vietnam have not issued any shares.
Note3: Excluding two shares held in the name of another person.

III.Capital Overview

3.1 Implementation of Capital and Shares, Corporate Bond, Shareholding, Overseas Depositary Receipts, Employee Stock Options, New Restricted Employee Shares and Merged (Including Consolidation, Acquisition and Demerger):

(A) Capital and Shares

1. Sources of Capital:

(1) Formation process of share capital:

Sources of Capital

Month/year	Issued price	Authorized capital		Paid-in capital		Remarks		
		Shares	Amount (NT$)	Shares	Amount (NT$)	Sources of capital	Capital paid in by assets other than cash	Other
07.1977	-	-	1,000,000	-	1,000,000	Establishment	None	Ltd.
01.1980	-	-	2,000,000	-	2,000,000	Capital increase of 1 million	None	Ltd.
05.1980	-	-	6,600,000	-	6,600,000	Capital increase of 4.6 million	None	Ltd.
07.1982	-	-	12,000,000	-	12,000,000	Capital increase of 5.4 million	None	Ltd.
09.1983	-	-	30,000,000	-	30,000,000	Capital increase of 18 million	None	09.20.1983 Commerce-Department (72)- 38939
09.1987	-	-	50,000,000	-	50,000,000	Capital increase of 20 million	None	09.09.1987 Commerce-Department (76)- 45608
11.1989	-	-	80,000,000	-	80,000,000	Capital increase of 30 million	None	11.21.1989 Commerce-Department (78)- 132301
01.1993	-	-	100,000,000	-	100,000,000	Capital increase of 20 million	None	01.18.1993 Commerce-Department (82)- 100812; 07.14.1993 Commerce-Department (82)- 113442, agreed to change to Co. Ltd.
10.1994	10	18,000,000	180,000,000	18,000,000	180,000,000	Capital increase of 80 million	None	10.22.1994 Commerce-Department (83)- 114496
12.1994	10	18,500,000	185,000,000	18,500,000	185,000,000	Merged with ZHI-YING company for 50 million	None	12.27.1994 Commerce-Department (83)- 117302
12.1994	Capital increase of 10 Profits turned into capital increase of 10	30,000,000	300,000,000	30,000,000	300,000,000	Capital increase of 59.5 million Profits turned into capital increase of 55.5 million	None	11.01.1996 No. Taiwan-Financial-Securities-I-63149
10.1997	Capital increase of 12.5 Profits turned into capital increase of 10	60,000,000	600,000,000	38,100,000	381,000,000	Capital increase of 48 million Profits turned into capital increase of 33 million	None	09.01.1997 No. Taiwan-Financial-Securities(86)-I-66953
06.1998	10	60,000,000	600,000,000	44,196,000	441,960,000	Profits turned into capital increase of 38.1 million Capital reserve turned into capital increase of 22.86 million	None	04.14.1998 No. Taiwan-Financial-Securities(87)-I-30252
07.1999	10	60,000,000	600,000,000	47,731,680	477,316,800	Profits turned into capital increase of NT$ 35,356,800	None	06.01.1999 No. Taiwan-Financial-Securities(88)-I-50444

Month/year	Issued price	Authorized capital		Paid-in capital		Remarks		
		Shares	Amount (NT$)	Shares	Amount (NT$)	Sources of capital	Capital paid in by assets other than cash	Other
10.2000	10	60,000,000	600,000,000	51,550,215	515,502,150	Profits turned into capital increase of NT$ 38,185,350	None	08.21.2000 No. Taiwan-Financial-Securities(89)-I-71160
08.2001	10	53,612,225	536,122,250	53,612,225	536,122,250	Profits turned into capital increase of NT$ 20,620,100	None	07.20.2001 No. Taiwan-Financial-Securities(90)-I-141898
08.2002	10	70,000,000	700,000,000	57,901,203	579,012,030	Profits turned into capital increase of NT$ 42,889,780	None	07.09.2002 No. Taiwan-Financial-Securities-I-0910137689
08.2003	10	70,000,000	700,000,000	65,138,853	651,388,530	Profits turned into capital increase of NT$ 72,376,500	None	07.11.2003 No. Taiwan-Financial-Securities-I-0920131217
08.2004	10	95,000,000	950,000,000	72,955,515	729,555,150	Profits turned into capital increase of NT$ 78,166,620	None	07.12.2004 No. Financial-Supervisory-Commission-I-0930130684
08.2005	10	95,000,000	950,000,000	86,379,330	863,793,300	Profits turned into capital increase of NT$ 134,238,150	None	07.05.2005 No. Financial-Supervisory-Commission-I-0940127021
08.2006	10	150,000,000	1,500,000,000	100,200,000	1,002,000,000	Profits turned into capital increase of NT$ 138,206,700	None	07.11.2006 No. Financial-Supervisory-Commission-I-0950129736
08.2007	10	150,000,000	1,500,000,000	118,236,000	1,182,360,000	Profits turned into capital increase of NT$ 180,360,000	None	07.16.2007 No. Financial-Supervisory-Commission-I-0960036866
08.2008	10	150,000,000	1,500,000,000	137,154,000	1,371,540,000	Profits turned into capital increase of NT$ 189,180,000	None	07.14.2008 No. Financial-Supervisory-Commission-I-0970035164
08.2010	10	200,000,000	2,000,000,000	160,940,350	1,609,403,500	Profits turned into capital increase of NT$ 237,863,500	None	07.26.2010 No. Financial-Supervisory-Securities-Corporate-0990038993
08.2011	10	200,000,000	2,000,000,000	182,500,978	1,825,009,780	Profits turned into capital increase of NT$ 215,606,280	None	07.06.2011 No. Financial-Supervisory-Securities-Corporate-1000031326
11.2015	10	200,000,000	2,000,000,000	181,829,978	1,818,299,780	(Cancellation of treasury stock for NT$ 6,710,000)	None	11.26.2015 No. Commerce-Department- 10401250720

(2) Type of stock:

Type of stock	Authorized Capital (NT$)			Remarks
	Outstanding shares (TWSE)	Unissued shares	Total	
Common stock	1,818,299,780	181,700,220	2,000,000,000	

Note: Note whether the stock is stock of a TWSE or TPEx listed company (if it is a company under restrictions with respect to TWSE or TPEx listing/trading, this should be noted).

2. List of Major Shareholders:

List of Major Shareholders

March 31,2026

Shares / Name of major shareholders	Shareholding (shares)	Shareholding (%)
Yuan Ding Investment Co., Ltd.	61,516,557	33.83%
Fountain Chemical Corp.Ltd.	19,340,657	10.64%
Hongchang Investment Co., Ltd.	17,990,408	9.89%
Yongchang Investment Co., Ltd.	17,866,625	9.83%
Yuanxiang Investment Co., Ltd.	15,344,478	8.44%
Ronghao Investment Co., Ltd.	13,259,614	7.29%
Xinhe Chemical Co., Ltd.	8,288,122	4.56%
Hung hwa trading co., ltd.	5,869,729	3.23%
Handing industrial co., ltd.	3,261,948	1.79%
Yongchang Foundation	2,064,678	1.14%

3. Company dividend policy and implementation status:

(1) Dividend policy:

To comply with the amendment to Article 14, Paragraph 6 of the Securities and Exchange Act, listed companies are encouraged to allocate a certain percentage of their annual profits to adjust the salaries and distribute remuneration to frontline employees. However, if the company has accumulated losses, these should still be offset to balance corporate governance and positively encourage listed companies to fulfill their social responsibility of caring for employees. Therefore, on March 5, 2025, the Board of Directors proposed amendments to the Articles of Association, which were discussed and approved at the Annual General Meeting of Shareholders on June 11, 2025. The amendments are as follows:

A. If the company has a pre-tax profit for the year, 1% to 1.5% should be allocated to employee remuneration (of which no less than 30% should be distributed as remuneration to frontline employees), to be distributed in shares or cash by resolution of the Board of Directors. Based on the aforementioned profit amount, the Board of Directors may allocate no more than 2% to directors' remuneration. The distribution of employee and directors' remuneration should be reported to the Shareholders' Meeting. However, if the company has accumulated losses, these should be offset, and the remaining balance should be allocated to employee and directors' remuneration according to the aforementioned proportion.

B. If the Company has profits after annual financial statements, apart from withholding tax as required by law, it should be used to offset accumulated deficits from previous fiscal years. The remaining amount should be set aside as legal reserve at a rate of 10%; however, if the legal reserve has already reached the paid-in capital of the Company, it may no longer be required to be allocated. The remaining amount should be allocated or reversed to the special reserve in accordance with legal provisions and regulations. If there is still a balance, the remaining amount combined with accumulated undistributed earnings, the board of directors will propose a profit distribution plan of dividends to shareholders, which will be submitted to the shareholders' meeting for approval.

C. The Company’s dividend policy aims to maintain sustainable business growth, expand the operations to create a competitive advantage and ensure the compliance with relevant regulations. When the board of directors proposes a distribution plan to the shareholders' meeting, it should first deduct the legal reserve and special reserve from the distributed earnings of the year before distributing dividends in the form of cash or stock to shareholders. The amount of cash dividends distributed should not be less than 10% of the total dividend payout.

D. If the distribution of dividends or bonuses is made in the form of cash, the board of directors is authorized to make such distribution with the approval of two-thirds or more of the directors present at a meeting, and with the consent of a majority of the attending directors, and report it to the shareholders' meeting. This provision does not apply if the distribution of dividends or bonuses requires a resolution by the shareholders' meeting.

(2) The proposed profit distribution plan from the shareholders' meeting:

The resolution of profit distribution for fiscal year 2025, which has been approved by the Company's board meeting on March 2, 2026. In addition to allocate the legal reserve, the board of directors will propose the distribution based on the Articles of Incorporation and relevant legal provisions as follows:
(i) Distribution of cash dividend (NT$ 1.07 per share): Total of NT$ 194,558 thousands..

4. Impact of the proposed bonus shares on the company's operating performance and earnings per share: Not applicable.
   Note: The Company has not prepared any financial forecasts and has not proposed bonus shares; therefore, it is not applicable to this table.

5. Remuneration of employees, directors and supervisors:
   (1) The percentages or ranges of employees, directors and supervisors' remuneration as stated in the Company's Articles of Incorporation:
      a. 1% to 1.5% for employee remuneration.
      b. no more than 2% as directors and supervisors' remuneration.
      (Please refer to Dividend policy for further details)
   (2) In accordance with the amended Company Act and the company's Articles of Incorporation in May 2015, the Company deduct the distribution of employees, directors, and supervisors' remuneration of pre-tax profits for the year, as 1% to 1.5% contributed for employee remuneration, and no more than 2% of the profits as directors and supervisors' remuneration. Employees' remuneration is estimated to be NT$ 3,736 thousands and directors' remuneration is estimated to be NT$1,495 thousands respectively in fiscal year 2025, which is allocated based on 1.25% and 0.5% of the aforementioned pre-tax profit. The board of directors approved the distribution of these amounts in cash on March 2, 2026, and it will be reported at the annual shareholders' meeting on May 20, 2026.
      If there are any changes in the amounts after the annual individual financial statements have been approved and released, the changes will be processed using accounting estimates and will be reflected in the next year's financial statements.

   (3) The board of directors has approved the distribution of information on employees' and directors' remuneration on March 2, 2026:
      a. Distribute cash and stock remuneration to employees as well as remuneration amount to directors and supervisor:
         Employees' cash remuneration is NT$ 3,736 thousands and directors and supervisors' remuneration are NT$1,495 thousands.
      b. The proposed distribution of employees' stock remuneration shares and their proportion to the net profit after tax for the period and the total amount of employees' remuneration are as follows: None, not applicable.
   (4) The proposed distribution of employees, directors and supervisors' remuneration in the previous paragraph is consistent with the accrued expense of NT$ 5,231 thousands. The earnings per share is NT$1.53.

(5) The implementation of using last year's earnings to distribute employee bonuses and directors' remuneration is as follows

Units: NT$ Thousands, Shares

	Previous fiscal year (the profit distribution plan in 2023)			
	The actual distribution amount resolved at the shareholder's meeting.	The proposed distribution number passed by the original board of directors.	Difference	The reason for the difference
The distribution status: 1.Employees' cash bonus	4,894	4,894	—	—
2. Employees' stock bonus (1) Shares (2) Amount (3) Ratio of the total outstanding shares at the end of the year.	—	—	—	—
3. Directors' remuneration	1,958	1,958	—	—

6.

Repurchase of the Company's Own Shares:

(1) Completed Repurchase: The company shall disclose, for the most recent fiscal year and up to the publication date of the annual report, the purpose of the repurchase, the repurchase period, the price range of the repurchase, the types, quantity, and amount of shares repurchased, the percentage of shares repurchased relative to the planned amount, the number of shares canceled or transferred, the cumulative number of treasury shares held, and the percentage of treasury shares relative to the total issued shares. … None (Not Applicable).

(2) Ongoing Repurchase: The company shall disclose the purpose of the repurchase, the types of shares to be repurchased, the maximum total amount of the repurchase, the planned period and quantity of the repurchase, the price range of the repurchase, and as of the publication date of the annual report, the types, quantity, and amount of shares already repurchased, and the percentage of repurchased shares relative to the planned amount. … None (Not Applicable).

7. Implementation status of new restricted employee shares: None (not applicable).

(B) Implementation of corporate bonds, shareholdings, overseas depositary receipts, employee stock options and merges (including consolidation, acquisition and demerger) or issuance of new shares for exchange of other companies' shares: None (not applicable).

3.2 Financing plans and implementation: None (not applicable).

IV. Operational Highlights

4.1 Business Activities:

(A) Business Activities

1. Our company was established in Taipei City in July 1966. Our business includes the manufacturing, processing and trading of industrial chemicals, wholesale of gasoline and diesel fuel, and building leasing.
2. Main products and business proportion: (Consolidated the fiscal year 2024)

Type of main products	Business proportion (%)
Chemicals	39
Plastics	35
Oils	25
Other	1
Total	100

3. New products planned for development: lubricants, specialty chemicals, and rubber particles.

(B) Industry overview:

The global economy has finally emerged from years of stagnation; however, the pace of recovery remains unstable. The ongoing Russia-Ukraine war, Middle East conflicts, and policy shifts under former U.S. President Trump have further complicated the recovery. Additionally, U.S.-China tensions, geopolitical disputes, and global trade barriers have limited the petrochemical industry's brief period of prosperity, with subsequent momentum proving weak. As a result, the industry's outlook remains cautiously pessimistic.Looking ahead, both positive and negative factors coexist. On the positive side, a gradual economic recovery and stabilized oil prices are expected to support the industry's improvement. On the negative side, continued oil price volatility, cautious downstream demand, geopolitical risks, aggressive capacity expansion by China's petrochemical sector, and competitive dynamics across the Taiwan Strait all contribute to a conservative industry outlook, dampening growth momentum.The Company will continue to closely monitor developments and respond proactively.

2. The industrial chain of the Company's industry
   (1) The upstream raw material is base oil, which is used in the refining and large petrochemical industries. The major domestic manufacturers are CPC Corporation, Taiwan and Formosa Petrochemical Corporation.
   (2) The midstream consists of various petrochemical plants, mainly producing ethylene, propylene, butadiene, benzene, phenol, etc. These raw materials are further processed through chemical reactions such as polymerization, esterification, and alkylation to produce chemical materials such as plastics, rubber, synthetic fibers, and other specialty chemicals derived from them.
   (3) The downstream consists of petrochemical and plastic product manufacturers, as well as users such as electronics plants and processing plants.

Upstream	Midstream	Downstream	
Upstream materials in the petrochemical industry and related exploration equipment.	Intermediate raw materials in the petrochemical industry, such as ethylene, propylene, butadiene, benzene, phenol, etc.	Plastic products	Rubber products
		Cleaning products	Synthetic fibers
		Pigments and dyes	Modifiers (synthetic resins)
		Plasticizers	Pesticides
		Cosmetics	

Note: This table is excerpted from the "Industry Value Chain Information Platform" jointly established by the Taiwan Stock Exchange and the Taipei Exchange. Investors can also refer to the further information on the website: https://ic.tpex.org.tw/introduce.php?ic=N000

3. Product development and competition are greatly affected by economic conditions and fluctuations in raw material prices. Competition in the international market and from peers often results in market shocks, making it necessary to work harder to expand market share.
4. Looking ahead to 2026, the global landscape remains clouded by both supply-demand imbalances and non-market factors—including power struggles between superpowers, geopolitical tensions, and trade barriers.With the ongoing conflicts in Ukraine and the Middle East, a rising tide of protectionism, and intensifying China-U.S. friction, global demand remains sluggish and consumer purchasing power continues to shrink.
   Given that oil price volatility and excess capacity are likely to become the "new normal," industry players must stand in solidarity with upstream and downstream partners. Strengthening inventory management and sharpening judgment on raw material trends will be the ultimate keys to profitability.

(C) Technical and R&D Overview: The Company belongs to the logistics industry; therefore, it does not have a research and development department. However, in response to the trend of diversified development of future business, the Company will strengthen the development of new products and customers. It will be achieved through cross-departmental marketing, integration, project organization, and seizing opportunities in line with the trend.

(D) Long-term and short-term business development plans: In the short term, in response to the attractive market opportunities and magnetic effect in mainland China, the Company will continue to focus on consolidating the domestic market, expanding the market in mainland China and Southeast Asia to ensure stable gross margins and increase market share. In the long term, the company aims to enhance product value-added, maintain good product quality, promote product diversification and market diversification. Initially, Vietnam was used as a base to explore new emerging markets in South Asia and ASEAN, while maintaining close relationships with upstream, midstream, and downstream industries to achieve an all-round logistics system for petrochemical raw materials.

4.2 Market and Sales Overview:

(A) Market analysis:

1. Main product sales regions:

The Company and its subsidiaries mainly operate in Taiwan and Mainland China.

Sales remain primarily focused on the Taiwan market. In 2025, the market distribution between Taiwan, Mainland China, and Others held steady at a ratio of 63:25:12.

This stability is mainly attributed to our efforts in consolidating the Taiwan market. Meanwhile, our Chinese locations continue to promote bulk chemicals and specialty products; however, aggressive factory expansions within China have caused a supply-demand imbalance. While the percentage for China remains consistent with last year, it has declined compared to the 28% recorded in 2023. The "Other" regions saw an increase in share due to successful market diversification.

Specifically within the Taiwan market, the sales distribution across the Northern, Central, and Southern regions stands at 41:23:35. This regional ratio remains stable with no significant fluctuations. Nevertheless, the Company strives to maintain maximum operational flexibility, keenly monitoring market trends and adjusting regional allocations as necessary to ensure steady business growth.

2. Market share:

(1) The Company is one of the major chemical raw material logistics distributors in Taiwan. However, the industry classification does not provide such detailed information, it is not possible to calculate the market share accurately.

The Company's consolidated revenue comes from the global market. If considered by the global market, the market share is insignificant, so it cannot provide an overview of the overall market share. However, it can refer to the data from the Department of Statistics' 2025 "Wholesale, Retail, and Food and Beverage Service Industry Statistics Survey" to estimate the market share of the parent company in the industry in Taiwan. The company has made general category estimates based on this data:

Units: NT$ Thousands, %

Economic statistics classification by the Department of Statistics	Individual operating revenue from YUAN JEN ENTERPRISES CO., LTD. in 2025	Statistics data from the Department of Statistics in 2025	Market share
Wholesale industry - chemical raw materials	6,552,048	572,411,741	1.14%
Retail industry - Others	6,552,048	165,028,235	3.97%
Overall market share	6,552,048	737,439,976	0.89%

Note: 1. The revenue of the Company listed in the table represents the total sum of wholesale and retail.

2. According to the data published by the Ministry of Economic Affairs, the chemical products retail industry has been merged into the "Retail industry - Others" since 2003.

3. Resources: https://dmz26.moea.gov.tw/GMWeb/investigate/InvestigateEA.aspx

(2) Since the Company's consolidated revenue declined in 2025, it is estimated that our positions in relevant industry rankings will also shift downward.

However, as the current year's issue of CommonWealth Magazine has not yet been released as of the date of this annual report's publication, the following data from last year is provided for reference: In 2024 (Year 113), the Company was ranked 224th in the [Service Industry] category and 9th in the [Trading] category.

For the most up-to-date rankings, please refer to the upcoming publications of CommonWealth Magazine and the CRIF (China Credit Information Service) corporate rankings.

3. Market future supply and demand situation and growth potential:

(1) In terms of supply:

A. In recent years, domestic and international large factories have successively increased production capacity, especially in petroleum products, acrylic monomers, ethylene, propylene, and other upstream raw materials , which will make product diversification more complete. However, at the same time, the rapid business cycle and uncertain demand have caused most manufacturers to adjust their investment plans or reduce expenses under excess production capacity. This has led the market to enter a mature stage, with intense competition in the plastic raw materials market. In addition, due to the immaturity of overseas markets (or regulations) and the prevalence of protectionism, new competitors are unable to quickly expand their market share or enter the core market, making expansion more difficult.

B. The market has become globalized, with an open refining industry and diversified domestic petrochemical and oil product supply and demand. However, major leading companies such as Formosa Plastics and CPC Corporation still dominate the Taiwan market.

C. The increase in imported chemical raw materials has intensified market competition and led to significant price fluctuations.

D. New factories are being built overseas, domestic plants are planning updates or expansions, and rapid expansion of new petrochemical plants in China, raising concerns about oversupply in the market.

E. The COVID-19 and the significant fluctuations in oil prices have resulted in excess supply and downstream hesitation, which may take time to gradually heal.

(2) In terms of demand:

A. Domestic traditional industries have moved overseas, and although the economy is expected to gradually recover, Taiwan's chemical raw materials industry still difficult to have significant market prospects.

B. The complete planning of the Sixth Naphtha Cracker Complex has increased investment willingness in the domestic chemical industry, leading to an increase in market demand. However, with a large supply also comes fierce competition.

C. In the post-epidemic era, the global economy is still under observation, which depresses the price and quantity. However, it is hoped that domestic petrochemical midstream and downstream industries and electronics-related industries will gradually recover their overseas (including mainland China) investment and production capacity, and leading to an increase in raw material demand and expanding export markets.

D. Affected by China-United States trade war, many Taiwanese businesses in mainland China have returned to Taiwan and continuously looking for sites to build factories , which is expected to drive demand for petrochemical raw materials.

(3) Market growth potential:

A. Looking ahead to the global economic outlook, growth in 2026 was originally expected to continue the upward trend of the previous year. However, the spillover effects of the Middle East conflicts, together with new policies under the Trump administration, may intensify a wait-and-see sentiment, thereby exerting pressure on markets and investor sentiment. According to the World Economic Outlook released by the International Monetary Fund on January 19, 2026, the global economic growth rate is projected at 3.3% for 2026 and 3.2% for 2027; however, such projections were made prior to the escalation of conflicts involving the United States, Israel, and Iran. The IMF has also warned that risks to the economic outlook remain tilted to the downside. If market expectations regarding productivity gains driven by artificial intelligence are reassessed, it may lead to a decline in investment and trigger sharp adjustments in financial markets. Such impacts may spread from AI-related companies to other sectors and erode household wealth. In addition, trade tensions may escalate, resulting in prolonged uncertainty and further weighing on economic activity. With respect to individual countries, the report projects that the United States will achieve economic growth of 2.4% this year, while the euro area is expected to grow by 1.3%. In Asia, Japan's economic growth is projected at a relatively low level of 0.7%, whereas China's economic growth is expected to reach 5.0%. Based on the above projections, the petrochemical industry is expected to maintain growth momentum this year; however, ongoing conflicts may result in growth falling short of expectations!

B. Looking ahead to the global economy, the growth momentum of last year was initially expected to continue in 2026. However, the spillover effects of the Middle East conflict, coupled with Trump's new policies, may exacerbate the wait-and-see atmosphere, putting pressure on the market and sentiment. The International Monetary Fund (IMF) recently raised its World Economic Outlook report on January 19, 2026, forecasting global economic growth of 3.3% in 2026 and 3.2% in 2027; however, these forecasts are still based on predictions prior to the conflict between the US and Israel and Iran. The IMF also warned that the risks to the economic outlook remain tilted to the downside. A reassessment of market expectations for artificial intelligence-driven productivity growth could lead to a decline in investment and trigger a sharp correction in financial markets. This impact could spread from AI-related companies to other market segments and erode household wealth. Trade tensions could escalate, leading to prolonged uncertainty and further dragging down economic activity. In terms of individual countries, the report forecasts US economic growth of 2.4% this year and Eurozone economic growth of 1.3%. In Asia, Japan's economic growth rate this year is expected to be as low as 0.7%, while China's economic growth is projected to reach 5.0%. Based on these forecasts, the petrochemical industry is expected to maintain growth momentum this year, although the war may cause the growth rate to fall short of expectations.

C. The Industrial Technology Research Institute (ITRI) reports that industry experts predict the probability of a downturn in the petrochemical industry will increase significantly in 2024, but there may be an opportunity for a rebound in the middle of the year. Since the second half of 2020, the petrochemical industry has benefited from factors such as the emergence of vaccines, the control of the pandemic, the rise of the stay-at-home economy, and economic conomic stimulus plans implemented by various governments, which have led to an increase in demand for petrochemical products. This positive growth momentum continued into 2021, and the economy continued to strive upwards until 2022. However, after the epidemic in 2024, with sluggish terminal demand, the economy is facing a reversal. As major economies such as Europe and the United States are experiencing a slowdown in growth but still recovering, combined with the economic recovery in other countries, the market for petrochemical products has been striving to maintain growth. The industry was originally expected to maintain high operating rates, and prices and quantities were showing a positive trend. However, the ongoing disturbance of the global economy by the Russia-Ukraine war, the lockdowns in mainland China have disrupted domestic demand, resulting in sluggish end demand. In addition, it is difficult to restrain inflation, making it difficult for the petrochemical industry to view the economic outlook optimistically.

D. Looking ahead to the future, regulatory authorities continue to promote corporate governance, net zero carbon emissions, and environmental sustainability, which have become important global trends. Although plastic consumption continues to grow, international brands have set targets for using recycled plastic, which has forced petrochemical manufacturers to accelerate the development of recycled materials. In recent years, international large petrochemical companies have also set targets for the supply of recycled materials. Introducing pyrolysis technology is one of the main methods for petrochemical plants to achieve their goals. At the same time, it is expected that recycled petrochemical feedstocks will be obtained, creating a win-win situation. Environmental protection is our mission, but if related initiatives proceed too quickly, they may affect the development of the industry.

E. The benefits of Taiwanese businesses returning to Taiwan for expansion may help to offset the impact of the cross-strait tensions and alleviate the impact on the red supply chain. In addition, the China-United States trade war should be controllable, which may stabilize global trade. If oil price fluctuations remain stable, geopolitical tensions ease, and the pandemic is completely eradicated geopolitical tensions ease,

F. The impact of industry relocation and market diversification will inevitably intensify free competition.

G. The economy has rebounded from the bottom of the valley, but it has been experienced the damage by the fluctuations in oil prices. The overall market demand is conservative and stable, resulting in a chaotic situation in the petrochemical market, and the industry needs time to regain pre-pandemic confidence.

4. Competitive advantages:

(1) The Company has been operating in the industry for over 40 years, with high brand recognition, favorable market share and new product promotion.

(2) Operating in both domestic and import-export markets in Taiwan, the company has diversified industries with a wide reach and dispersed downstream industries, resulting in low business risk.

(3) With a diverse range of distribution channels, the company enables to quickly respond to industry changes and have stronger market development capabilities than its competitors.

(4) The company has complete storage and transportation facilities, with operating locations and shipping warehouses in northern, central, and southern Taiwan, as well as in the eastern and southern regions of mainland China. The well-developed transportation network allows the company to provide customers with timely and quality services.

(5) Expanding the amount of work can lead to economies of scale, which can lower unit operating costs.

5. Favorable and unfavorable factors as well as countermeasures for future development:

(1) Favorable factors:

A. With the increase in the amount of work and market share, economies of scale can be achieved, reducing unit operating costs and enhancing profitability.

B. The petrochemical industry still has room for growth. The completion of the Sixth Naphtha Cracker Complex supply chain is outlining the future vision for Taiwan's chemical industry.

C. The ongoing China-United States trade war, the mainland China's environmental protection and carbon reduction policies have prompted the petrochemical industry to seek alternative sources of raw materials, and demand for raw materials is expected to rebound.

D. The expected return of Taiwanese businesses and the government's expansion of domestic demand are expected to drive the development of related industries.

(2) Unfavorable factors

A. Industry relocation with some customers have been lost to various countries in mainland China and Southeast Asia, leading to a decrease in domestic demand for petrochemical raw materials. The industry is experiencing a phenomenon of "increased supply and decreased (stagnant) demand".

B. The diversification of distributors and market competition have compressed profits.

C. The public awareness of safety and environmental protection in Taiwan has increased significantly. Environmental impact assessments for factory establishment and expansion projects often take several years. Moreover, factories located in rapidly developing areas often face tense relationships with their surrounding communities and industries. If irrational protests by residents are added, the cost and uncertainty factors of investment increase, leading to a hesitation to invest and accelerate the trend of companies relocating their operations abroad.

D. The economic conditions in mainland China are affected by government regulations as well as competition from both local and international corporations, Taiwanese raw material suppliers face challenges in penetrating the local market in mainland China. In addition, as Taiwanese businesses increasingly invest abroad, there is a clustering effect where many mid- to downstream companies invest in mainland China and Southeast Asia, leading to a fixed supply chain for these regions. This can create bottlenecks for new members attempting to enter the market.

E. The deep-rooted pollution impression of the petrochemical industry held by both the government and the private sector will hinder its development. Initiatives such as the potential downsizing of the Kaohsiung Dashe Petrochemical Industrial Park, and the establishment of specialized petrochemical zones has been repeatedly delayed due to environmental concerns causing obstacles, which have once again put the development of the petrochemical industry at a crossroads

F. The impact of international geopolitical disputes and the frozen cross-strait relations is unpredictable. Coupled with the unpredictable fluctuations in oil prices, the petrochemical industry will be impacted to some extent. Low long-term demand will lead to lower quantities or lower unit prices, which will be reflected in financial figures as a recession. The only option is to respond conservatively and look forward with optimism.

(3) Countermeasures:

A. Indirect investment in the Chinese market can help serve local customers and explore vast market opportunities in the region.

B. Expanding the overseas market for Taiwanese businesses by increasing the proportion of exports. Strengthening local distribution and procurement to reduce costs and expand market share. Domestically, it involves importing products that are not currently produced domestically and developing new products for the market.

C. Increasing transportation and packaging equipment can help to improve the turnover rate, and strengthening the ability to transfer goods, resulting in lower unit operating costs. Additionally, by increasing the variety of products sold can help to increase sales revenue and also contribute to lowering operating costs for the business.

D. To establish a strong presence in Taiwan and cultivate the cross-strait market, the company should integrate into the local enterprise culture and penetrate the industry supply chain.

E. In the midst of the chaos in the China-United States trade, businesses should strive to stabilize existing markets and strive to attract back Taiwanese businesses and Southeast Asian markets.

F. Monitor the Russia-Ukraine conflict, the Middle East conflict, the US-China rivalry, Trump's new policies, and oil price fluctuations, and closely respond to the impacts. Do not rely on the enemy's absence, but on our preparedness; strive to strengthen internal training, and work together towards recovery after the pandemic!

(B) The important uses and production processes of the main products:

Main types of products	Uses
Chemicals	Thinner for coatings, PU coatings, adhesives, PMMA, resins for non-woven fabrics, sizing agents for textiles, UV inks, etc.
Plastics	Electronic components, fans, gears, packaging materials, toys, etc.
Oils	Base oil, lubricant, boiler oil, etc.
Others	Miscellaneous chemicals and specialty chemicals, etc.

Note: As the Company belongs to the logistics industry, so it does not have a production process.

(C) Status of supply for the main products:

Main types of products	Supply sources	Status of supply
Chemicals	FORMOSA PLASTICS GROUP, Chang Chun Petrochemical Co., Ltd., PAN ASIA CHEMICAL CO., LCY CHEMICAL CORP, TASCO Chemical Corp., import, etc.	Well
Plastics	FORMOSA PLASTICS GROUP, FORMOSA CHEMICALS & FIBRE CORPORATION, Chang Chun Petrochemical Co., Ltd., import, etc.	Well
Oils	FORMOSA PETROCHEMICAL CORPORATION, etc.	Well
Other	Import and other small-scale companies, etc.	Few

(D) Major customers and purchase suppliers:

1. Lists of major customers (above 10%): None.
2. Lists of major purchase suppliers (above 10%):

Units: NT$ Thousands

	2024				2025			
Item	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer
1	FORMOSA PLASTICS GROUP	2,276,553	28.39	2,276,553	FORMOSA PLASTICS GROUP	1,920,013	25.27	None
2	Formosa Petrochemical Corporation	1,548,063	19.31	1,548,063	Formosa Petrochemical Corporation	1,866,279	24.56	None
3	Other	4,193,970	52.30	4,193,970	Other	3,812,502	50.17	None
	Net purchase	8,018,586	100	8,018,586	Net purchase	7,598,794	100	

※Explanation of the increase or decrease in changes: In general, there have been no significant changes

(The financial information for the first quarter of 2025 has not yet been reviewed by the board of directors or audited by the accountant in the past year and as the date of publication of the annual report. Investors are advised to refer to the announcements on the Public Information Observation Station for further information.)

4.3 Employee Statistics for the Most Recent 2 Fiscal Years up to the Annual Report Publication Date:

April 20, 2025

Fiscal year		As of Mar.31, 2026	Fiscal year 2025	Fiscal year 2024
Number of employees	Salesperson	48	48	49
	Other employees	54	54	53
	Total	102	102	102
Average age		42	45	45
Average years of service		12	12	12
Education distribution percentage (%)	Ph.D.	—	—	—
	Master’s degree	4 %	4 %	3 %
	College	81 %	81 %	83 %
	Senior high school	15 %	15 %	14 %
	Below senior high school	- %	- %	- %

4.4 Environmental Protection Expenditure:

(A) The total amount of losses (including compensation) and disposal incurred due to environmental pollution in the past year and as of the date of publication of the annual report:

	Fiscal year 2025	Fiscal year 2026 as to March 31, 2026
Status of pollution (type and degree)	None	None
Entities for compensation or disposal	None	None
Amount of compensation or details of the disposal	None	None
Other losses	None	None

(B) Countermeasures:

The section regarding the proposed improvement measures:

The improvement plan: Not applicable.

The expected environmental capital expenditure for the next three years: None.

The impact after the improvement measures are implemented: Not applicable.

The section regarding the countermeasures: None.

4.5 Labor Relations:

(A) The various employee welfare measures and their implementation status:

1. Employee welfare measures:

(1) The employee welfare provided by the Company is in accordance with the Labor Standards Act, and including: labor insurance, National Health Insurance, pension contribution, statutory holidays, special leaves, etc. It also implements health examination, regulations for unpaid parental leave for raising children, menstrual leave, paternity leave, and so on. In addition, the company also provide benefits such as travel subsidies, holiday bonuses, birthday bonuses, etc. that exceed statutory requirements.

(2) The Company's employment and salary standards are based on individual education, experience, professional knowledge and skills, as well as individual performance. There will be no discrimination in treatment based on gender, race, religion, political stance, marital status, or other physiological differences. Moreover, the company’s starting salary standards are higher than the minimum wage set by the Labor Standards Act. To recruit talents, the company highly values the rummeration and welfare for employees, and prioritize the employment of local labor. Moreover, the company strictly prohibit the child labor. At the same time, the company’s salary and welfare policies, in addition to providing basic protection, it will also reflect annual business performance and results in employee rummeration welfare timely. In recent years, the ratio of salary adjustment for female and male new hires is maintained at the same level, demonstrating YUAN JEN ENTERPRISES CO., LTD. implements

equal employment for employees.

2. The continuing education and training for employees:
   (1) The Company encourage employees to pursue continuing education while on the job, participate in various training programs, and choose relevant courses to enhance their professional skills, which can grow and prosper together with the company and also organizes disaster reduction and earthquake prevention, disaster prevention and rescue training, warehouse management work safety, and hygiene training, etc. Through a series of training, visits to related industries, participation in professional seminars and training, employees obtain relevant certificates and practical knowledge to protect themselves from occupational hazards and prevent environmental protection and occupational safety incidents.
   (2) The company conducts disaster reduction and earthquake prevention, disaster prevention and rescue training, warehouse management work safety, and hygiene training at least once a year in both the Taichung and Kaohsiung regions, also cooperate with other companies in joint exercises and drills.

3. Retirement mechanism:
   (1) Defined contribution plan
   The pension system that the Company uses in accordance with the "Labor Pension Act" and is a defined contribution retirement plan managed by the government. Under this plan, the company contributes 6% of each employee's monthly salary to the individual labor pension accounts at the Labor Pension Fund Bureau as their retirement fund.
   (2) Defined benefit plan
   The pension system that the Company uses in accordance with the "Labor Standards Act" in Taiwan and is a defined benefit retirement plan managed by the government. Employees' pension are calculated based on years of service and the average monthly salary of the six months before the approved retirement date. The Company contributes 2% of each employee's monthly salary to the employee retirement fund, which is deposited into a Taiwan Bank account under the name of the Labor Pension Fund Supervisory Committee. If the estimated balance in the dedicated account is not sufficient to pay employees who are expected to meet the retirement conditions within the following year, the difference will be withdrawn at once by the end of the fiscal year, and paid to the employees before the end of March the following year. The fund is managed by the Labor Department's Fund Management Bureau, and the Company has no right to influence the investment management strategy.

4. Other important agreements and measures: None.

5. Implementation of employee welfare measures, continuing education, training, and retirement mechanism:
   (1) The above measures are being implemented in accordance with the company's relevant regulations, as mentioned previously (omitted).
   (2) The Company's retirement mechanism as mentioned previously

(omitted).

(3) Please refer to the Corporate Social Responsibility Report in the "CSR" section on the company's website for disclosures on employee care initiatives.

(B) Losses suffered due to labor disputes in the past year and as the date of publication of the annual report: None

4.6 Information Security Management:

(A)Description of information security risk management framework, information security policies, specific management plans and resources invested in information security management.

1. Purpose and scope of information security

   Target: Covering all employees, outsourced personnel, and security management of all related information assets as well as operation-related information software and hardware in the Company.

   Scope: In order to ensure the information security of the Company, relevant regulations and systems are established and integrate into the management operating system to protect the privacy and information security of employees, suppliers, and customers during business transactions

2. The information security risk framework

   (1) Currently, the information department is responsible for leading and planning information security. In the future, the Company plans to establish an appropriate management framework to effectively promote and implement internal information security and personal data protection management matters. The company will refer to similar organizations such as the "Information Security & Personal Data Protection Committee " established by peers to review information security policies, data file security maintenance, and coordinate the implementation of various information security measures to ensure the sustainable and robust operation of information security and personal data protection management systems.

   (2) Responsible for developing information security management policies, conducting regular reviews and revisions, and regularly reporting to the Board of Directors.

3. Information security policies

   The Company constantly evaluates information security risks to ensure that management is aware of "which systems or databases are critical to business operations and which systems or databases have a deep impact on the company's operational processes." Consequently, the organization conducts an overall information security risk assessment internally, and based on the evaluation results, allocates resources to enhance protection capabilities and effectively manage the risks of information attacks. This involves developing proactive measures for prevention, contingency plans for incident response, and post-incident recovery strategies. The company also adopts appropriate and sufficient information security measures to ensure the security of information collection, processing, transmission, storage, and circulation.

4. Specific management plans and resources invested in information security management

(1) Off-site database backup.
(2) Setting up firewalls, controlling social networking sites, and restricting access to high-risk websites.
(3) Purchasing genuine software.
(4) Immediately removing the system IDs of departing employees from the system.
(5) Establishing a regular inventory of information assets and implementing various control measures.
(6) Conducting regular information security awareness campaigns.
(7) Establishing standard procedures for information security incidents to handle security incidents promptly and prevent further damage.

5. Implementation status in 2025:
(1) Regularly conduct information security audits according to the schedule, and perform at least one random check.
(2) Approximately NT$ 359 Thousands was spent on various information security maintenance costs, including routine hardware updates.
(3) Conducted information security education and training for employees at least three times to enhance their awareness and response to information security risks.
(4) Communication and reporting on information security during other meetings.
(5) Be notified promptly (by email) of any potential cyberattacks or cybersecurity incidents to take preventative measures.

(B) List the losses, potential impacts, and countermeasures suffered due to major information security incidents in the past year and as the date of publication of the annual report. If unable to reasonably estimate, the fact that it cannot be reasonably estimated should be explained:

1. None, not applicable.
2. The company currently uses operating system from DATA SYSTEMS CONSULTING CO., LTD. Although the company currently does not have off-site backup and drills in the financial sector, with database backup and support from the system vendor's software and hardware, any emergencies can be resolved as quickly as possible, and restore operations. Therefore, there should be no immediate risk to information security.

4.7 Important Contracts:

Nature of contract	Parties	Beginning and end dates of contract	Major content	Restrictive clauses
Trading	FORMOSA PLASTICS CORPORATION	01/01/2026 to 12/31/2026	Sales contract	None
Trading	FORMOSA PETROCHEMICAL CORPORATION	01/01/2026 to 12/31/2026	Sales contract	None
Trading	PAN ASIA CHEMICAL CO.	01/01/2026 to 12/31/2026	Sales contract	None
Trading	GRAND PACIFIC PETROCHEMICAL CORPORATION	01/01/2026 to 12/31/2026	Sales contract	None

V. Review of Financial Conditions, Operating Results, and Risk Management

5.1 Analysis of Financial Status

The main reasons and their impacs for significant changes in assets, liabilities, and shareholders' equity in the past two years. If the impact is substantial, future countermeasures should be explained:

Review and Analysis Table of Financial Status

Comparative Analysis Table of Financial Status Units: NT$ Thousands, %

Item \ Fiscal year	Fiscal year 2025	Fiscal year 2024	Amount increase/ (decrease)	Ratio increase/ (decrease) %
Current assets	7,752,697	7,166,747	585,950	8.18
Property, Plant and Equipment	842,009	851,662	(9,653)	(1.13)
Intangible assets	3,108	4,294	(1,186)	(27.62)
Other assets	201,897	202,510	(613)	(0.30)
Total assets	8,799,711	8,225,213	574,498	6.98
Current liabilities	2,081,515	2,589,215	(507,700)	(19.61)
Non-current liabilities	80,556	76,764	3,792	4.94
Total liabilities	2,162,071	2,665,979	(503,908)	(18.90)
Share capital	1,818,300	1,818,300	0	-
Capital surplus	2,287	2,287	0	-
Retained earnings	1,370,916	1,262,827	108,089	8.56
Other equity	3,446,136	2,475,820	970,316	39.19
Treasury shares	-	-	-	-
Equity attributable to owners of the parent company	6,637,640	5,559,234	1,078,406	19.40
Non-controlling interests	1	-	1	-

Note 1: The main reasons, impacts, and future countermeasures for significant items of changes in the company's assets, liabilities, and shareholders' equity in the past two years (changes of over 20% between periods and with a value of over NT$10 million) should be explained:

Other equity increased by 39.19%, primarily due to a rebound in the stock market, which led to a significant rise in unrealized gains on financial assets.

Note 2： The main reasons, impacts, and future countermeasures for changes in the company's current liabilities in the past two years and long-term liabilities due within one year should be explained.

(1) Reason for the change: Due to substantial non-operating income and ample funds during the period, with no better investment options available, a portion of the funds was used to repay liabilities, resulting in a decrease in current liabilities.

(2) Impact of the change: Decreased liabilities, reduced financial costs, and reduced operating pressure.

(3) Future contingency plans: The fluctuation was minor and considered a normal and reasonable change; therefore, none (not applicable).

5.2 Analysis of Financial Performance

Review and Analysis Table of Financial Performance

(1)Comparative Analysis Table of Financial Performance

Units: NT$ Thousands

Item \ Fiscal year	Fiscal year 2025	Fiscal year 2024	Amount increase/ decrease	Change ratio (%)
Operating Revenue	7,996,645	8,389,157	(392,512)	(4.68)
Gross Profit	367,380	410,281	(42,901)	(10.46)
Operating Income	145,155	182,729	(37,574)	(20.56)
Non-operating income and expenses	150,446	207,018	(56,572)	(27.33)
Net profit after tax from continuing operations	278,349	347,358	(69,009)	(19.87)
Other comprehensive income (loss) for the period (net of income tax)	1,027,343	780,466	246,877	31.63
Net income (loss) for the period	1,305,692	1,127,824	177,868	15.77

Note 1: Explanation for analysis of changes in ratios:

(1) Operating Profit: Due to the generally improved performance of the artificial intelligence and networking industries in 2025, while the traditional industries remained sluggish, the Company's performance also declined, resulting in a change of 20%.

(2) Non-operating Income and Expenses: Due to the significant exchange rate fluctuations in 2025, the Company was unable to hedge its risks effectively, resulting in substantial exchange losses. Furthermore, the reduced value of financial assets through profit and loss accounting led to a significant decrease of 27.33% in net non-operating income and expenses.

(3) Comprehensive Profit and Loss (two items): Apart from (1) and (2), the significant increase in unrealized gains from financial assets held during the period was due to the excellent market conditions and the stock market boom.

Note 2: Explanation of reasons for changes in the company's main business activities (such as changes caused by adjustments in selling prices or costs, changes in production and sales composition and quantity, or replacement of old and new products). If there have been or are expected to be significant changes in operating policies, market conditions, economic environment, or other internal or external factors, the facts and the impact of the changes on the company's future financial and business operations and countermeasures: Not applicable.

Note 3: The main factors affecting the company's expected sales volume in the next year and the basis for the company's expectation of continued growth or decline in sales volume: The operating target for fiscal year 2026 is expected to reach a total sales volume of consolidated operations for the entire year of 263,100 metric tons. Based on the historical data from the full year of 2025 and January to February 2026, as well as reference to information on the internet, books and magazines, and market conditions to make the most appropriate estimation.

With the petrochemical industry showing initial signs of recovery, and assuming the Middle East conflict ends and there are no abnormal trade disruptions, earnings are expected to increase slightly.

5.3 Analysis of Cash Flow

Review and Analysis Table of Cash Flow
Analysis of Cash Flow

Units: NT$ Thousands

<table>
<tr><th rowspan="2">Cash at beginning of year ①</th><th rowspan="2">Net cash flow from operating activities throughout the year ②</th><th rowspan="2">Total cash outflow throughout the year ③</th><th rowspan="2">Cash surplus (deficit) ① +②−③</th><th colspan="2">Leverage of cash deficit</th></tr>
<tr><th>Investing plans</th><th>Financing plans</th></tr>
<tr><td>804,602</td><td>361,481</td><td>488,428</td><td>677,655</td><td>-</td><td>-</td></tr>
<tr><td colspan="6">1. Analysis of changes in cash flow for the current year: See below.
2. Leverage of cash deficit and liquidity analysis: See below.
3. Cash liquidity analysis in the next year: See below.</td></tr>
</table>

1. Analysis of changes in cash flow for the current year:
   (1) Operating Activities: While operating and non-operating income declined during the period, dividends paid by invested entities increased significantly, resulting in net cash inflows.
   (2) Investing Activities: Net cash inflows from investing activities resulted from the disposal of US dollar bond assets and the sale of some stocks during the period.
   (3) Financing Activities: Ample cash reserves during the period enabled the repayment of loans and short-term bonds, as well as the payment of cash dividends, resulting in net cash outflows.

2. (1) Leverage of cash deficit and liquidity analysis: Not applicable.
   (2) Liquidity analysis for the past two years:

Fiscal year / Item	Fiscal year 2025	Fiscal year 2024	Ratio increase/ (decrease) %
Cash flow ratio	17.37%	7.30%	137.95%
Cash flow adequacy ratio	88.42%	90.72%	(2.54%)
Cash reinvestment ratio	1.98%	0.60%	230.00%
Explanation for analysis of changes in ratios: Due to poor operations and declining sales this period, accounts receivable decreased significantly, leading to a substantial increase in cash inflows from operating activities compared to last year. This resulted in an increase in both the cash flow ratio and the cash reinvestment ratio. Furthermore, the higher cash dividend payout this period caused the overall cash flow adequacy ratio to decline.			

(3) Cash liquidity analysis in the next year

Units: NT$ Thousands

Cash at beginning of year ①	Net cash flow from operating activities throughout the year ②	Total cash outflow throughout the year ③	Cash surplus (deficit) ①+②−③	Leverage of cash deficit	
				Investing Plans	Financing Plans
677,655	300,000	490,000	487,655	Not applicable	Not applicable

Analysis:

(1) Net cash inflow from operating activities is expected to increase in fiscal year 2026 due to continued growth in revenue and non-operating income, resulting in a higher cash inflow compared to fiscal year 2025.

(2) Net cash outflow from investing and financing activities is mainly due to anticipated repayment of short-term borrowings.

(3) The estimated annual cash balance is still in surplus, but lower than the beginning balance.

5.4 Major Capital Expenditure Items:

(1) Implementation of major capital expenditure in the past year:

None, Not applicable.

(2) Possible benefits:

None, Not applicable.

5.5 Re-investment Policy or Other Releated Items in the Past Year

(1) Re-investment policy in the past year:

The Company has invested YUANJEN HOLDINGS LIMITED, YUANJEN INTERNATIONAL LIMITED, ENTRUST CHEMICAL COMPANY LIMITED, YUANXIN INVESTMENT CO., LTD. The overseas companies were established for developing the mainland Chinese market. Currently, the main investment is in Shanghai and Guangzhou, aiming to develop diverse fields and diversify the market.

In 2020, the Company reinvested to establish a subsidiary in Vietnam—YUANJEN CHEMICAL (VN) CO., LTD. Furthermore, on January 14, 2025, the Board of Directors authorized the establishment of a Thai subsidiary—YUANJEN CHEMICAL TRADING (THAILAND) CO., LTD., to expand business locations and further develop operations in the Southeast Asian market.

The main reasons for its profit or loss:

Profit:

1. Investment income recognized from Yuanxin Investment (shares) Co., Ltd., due to cash dividends distributed by the company's reinvestment.
2. A slight recovery in the traditional industries in South China led to increased demand, resulting in slightly better performance for the Guangzhou subsidiary. Revenue and profit remained stable, resulting in a profit.
3. The Vietnam company was hampered by economic conditions and difficulty in recruiting workers, and was unable to operate substantially, although a

small profit was generated from exchange rate fluctuations.

Loss:

1. In 2025, the Shanghai subsidiary's performance was poor due to the weaker-than-expected economic recovery in mainland China and the US-China trade dispute, leading to a decline in revenue and profit and resulting in a loss.
2. Small operating losses from miscellaneous expenses of the overseas holding company.
3. The Thailand company was hampered by economic conditions and difficulty in recruiting workers, and was unable to operate at scale. Miscellaneous expenses and exchange rate losses resulted in a loss for the whole year.

Improvement plan:

Once the economy recovers and the market rebounds, operations should be able to reach new heights.

(2) The investment plan in the next year:

The Company obtained approval from its shareholders in 2003 to invest in Mainland China and will continue its efforts in the coming year to invest in and develop the local market. Although no additional capital has been injected in recent years, the Company continues to expand its distribution business in the region. In addition, it is actively seeking new locations and planning investment targets to maximize capital efficiency and enhance investment returns.

Regarding investment in Vietnam and the broader Southeast Asian market, the Company has begun by establishing operations in Vietnam. Once a stable foothold is established, additional capital will be injected, followed by evaluation of potential expansion into other Southbound markets. The Board of Directors has authorized the establishment of a subsidiary in Thailand to increase business locations and expand the Company's presence in Southeast Asia.

To ensure optimal use of funds, the Company continues to invest in listed market financial assets while also exploring the feasibility of foreign currency bond investments. The goal is to generate dividend income that complements core business profits, thereby enhancing overall operational synergy, increasing profitability, and maintaining stable dividend distribution.

5.6 Analysis of Risk Management

A. The impact and future countermeasures of interest rate, exchange rate, and inflation on the company's profits in the past year and as of the date of publication of the annual report:

The operating results of the Company are significantly affected by changes in interest rates, exchange rates, and inflation (the cost of goods purchased). The impact of these factors and countermeasures are analyzed below, using the fiscal year 2025 as an example:

1. Interest rate

(1) Effect of interest rate changes:

The fluctuation range of interest rates that is reported to the top management within the group is an increase or decrease of 0.25%, it also represents the assessment of the reasonable range of possible changes in interest rates by the management.

If the interest rate increases/decreases by 0.25%, while all other variables remain constant, net income before tax of the consolidated company for fiscal year 2025 and 2024 will increase/decrease by NT$ 672 Thousands and NT$818 Thousands. The main reason is due to the interest rate risk exposure generated by the floating-rate financial assets and liabilities in the consolidated company's calculation.

The decrease in interest rate sensitivity of the consolidated company in the current year is mainly due to the reduction in bank deposits with floating interest rates.

(2) Countermeasures:

In addition to coordinating with the business department to review and control payment and reduce inventory, the finance department of the Company is also working hard to establish diversified financing channels, including coordinating with banks to secure low-interest project loans, issuing commercial paper to lower the average borrowing interest rates and reduce funding costs.

2. Exchange rate

(1) Effect of exchange rate changes:

The group company engages in sales and purchases transactions denominated in foreign currencies, which exposes the company to foreign exchange risk due to exchange rate changes.

The group company is mainly affected by the fluctuations in the US dollar exchange rate

The following table provides a detailed explanation of the sensitivity analysis of the consolidated company when the exchange rate of the relevant foreign currencies against the NTD exchange rate increases or decreases by 1%. The 1% is the sensitivity ratio used by the management to report exchange rate risks to the top management, it also represents the assessment of the reasonable range of possible changes in interest rates by the management. The sensitivity analysis only includes foreign currency monetary items that are outstanding, and adjusts their year-end conversion by a 1% change in exchange rates. The scope of sensitivity analysis includes foreign currency monetary items of the consolidated company. The positive numbers in the table indicate that when the NTD depreciates by 1% against the relevant currency, it will increase or decrease the amount of net income before tax or equity. When the NTD appreciates by 1% against the relevant foreign currency, the impact on net income before tax or equity will be the negative amount of the same value.

	Impact of USD$	
	2025	2023
(Loss)or Profit	$ 1,468 (i)	$ 3,984 (i)

(i) This is mainly due to the foreign currency monetary items denominated in US dollars that are still outstanding and not hedged for cash flow at the balance sheet date of the group company.
The Group's exchange rate sensitivity decreased this year, mainly due to a decrease in net assets denominated in US dollars.

(2)countermeasures:

The Company constantly reviews its foreign currency positions as well as evaluates the net risk position of sales and cost amounts denominated in non-functional currencies. Based on these evaluations, the company adjusts its non-functional currency cash holdings to achieve hedging objectives. If there is excessive exposure to foreign currency positions that are vulnerable to exchange rate fluctuations, the company considers using forward exchange contracts to hedge the risk and lock in existing profits, thus reducing exchange rate risk.

3. Inflation

(1) Effect on inflation (the cost of goods purchased) changes:

a. Assuming other conditions remain unchanged.

b. If the consolidated unit cost of purchases in the Company increased by 1% and the selling price also increased by 1% in the fiscal year 2025, the net income before tax would increase by approximately NT$ 3,674 Thousands. Conversely, if the unit cost of purchases decreased by 1% and the selling price also decreased by 1%, the net income before tax would decreased by NT$ 3,674 Thousands

(2)countermeasures:

Enhancing industry sensitivity to market fluctuations, closely monitoring oil prices and bulk chemical raw materials quotes, as well as paying attention to changes in the international situation to anticipate the trend of raw material prices, enhance inventory management capabilities, and achieve stable and long-term returns.

4. Other Price Risk::

The Company generates equity price risk due to the equity securities investments. The company's management team manages risk by holding different portfolios with varying levels of risk, and these equity investments related to strategic investments. In addition, the Company regularly monitors and evaluates price risks.

The following sensitivity analysis is based on the equity price risk on the date of the balance sheet.

If the equity price rises/falls by 5%, the profit before tax for fiscal years 2025 and 2024 would increase/decreased by NT$10,552 Thousands and NT$ 11,754 Thousands, due to the increase/decrease in the fair value of financial assets at fair value through profit or loss. The other comprehensive income before tax for fiscal years 2025 and 2024 would increase/decreased by NT$ 282,630 Thousands and NT$ 234,432 Thousands, due to the increase/decrease in the fair value of financial assets at fair value through other comprehensive income.

5. Supplementary Information: For additional disclosures regarding other potential risks, please refer to Note 27 of the 2025 Consolidated Financial Statements—"Financial Instruments," section (4) Objectives and Policies of Financial Risk Management.

B. Main reasons and future countermeasures for policy, profit or loss of engaging in high-risk, high-leverage investments, extension of monetary loans to others, endorsements or guarantees, and derivatives trading in the past year and as of the date of publication of the annual report:

1.Engaging in high-risk, high-leverage investments, and extension of monetary loans to others: None (not applicable).

2. Engaging in endorsements or guarantees: None (not applicable).

3. Transactions of Derivative Financial Instrument:

he Company engages in derivative financial instrument transactions for the purpose of hedging foreign exchange risk. The relevant information is disclosed as follows:

Applicable to Non-Banking Institutions (Unit: NT$thousand)

<table>
<tr><th colspan="4" rowspan="2">Type of Contrac
Transaction Information</th><th rowspan="2">Futures</th><th colspan="2">Individual Options</th><th colspan="2">Structured Options</th><th rowspan="2">Forward Contracts</th><th rowspan="2">Other</th></tr>
<tr><th>Written Options (Sold)</th><th>Purchased Options (Bought)</th><th>Written Options (Sold)</th><th>Purchased Options (Bought)</th></tr>
<tr><td rowspan="8">Not Held for Trading</td><td rowspan="8">Not Qualifying for Hedge Accounting</td><td colspan="2">Margin Paid</td><td>0</td><td>0</td><td>0</td><td colspan="2">0</td><td>0</td><td>0</td></tr>
<tr><td colspan="2">Premiums Received (Paid)</td><td>0</td><td>0</td><td>0</td><td colspan="2">0</td><td>0</td><td>0</td></tr>
<tr><td rowspan="3">Outstanding Contracts</td><td>Total Contract Amount</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr>
<tr><td>Fair Value</td><td>0</td><td>0</td><td>0</td><td colspan="2">0</td><td>0</td><td>0</td></tr>
<tr><td>Unrealized Gains / Losses Recognized in the Current Year</td><td>0</td><td>0</td><td>0</td><td colspan="2">0</td><td>0</td><td>0</td></tr>
<tr><td rowspan="2">Settled Contracts</td><td>Total Contract Amount</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>262,473</td><td>0</td></tr>
<tr><td>Realized Gains / Losses Recognized in the Current Year</td><td>0</td><td>0</td><td>0</td><td colspan="2">0</td><td>744</td><td>0</td></tr>
<tr><td colspan="2">Notes</td><td></td><td></td><td></td><td colspan="2"></td><td></td><td></td></tr>
</table>

4.Future countermeasures: None (not applicable).

C. Future R&D plans and expected R&D expenses in the past year and as of the date of publication of the annual report:

The Company belongs to the logistics industry, therefore it does not have an R&D department, nor any current R&D plans. To respond to the trend of diversified business development in the future, the Company will strengthen the development of new products and new customers, and establish a cross-departmental marketing promotion project team as needed to adapt to the trend and seize opportunities.

D. Effect and countermeasures of important domestic and international policy as well as legal changes on the company's financial status in the past year and as of the date of publication of the annual report:

1. During the aforementioned period, there was no significant impacts on the Company's financial status as a result of any important domestic or foreign policies or legal change.
2. However, if there are policy and legal changes that are unfavorable to the industry (such as tax systems, environmental impact assessments, carbon emissions regulations, etc.) causing poor market conditions or losses to the company, it may lead to a deficit for the entire year. The Russia-Ukraine and the Middle East war, the China-United States trade war, the freezing of cross-strait relations, the follow-up effects of global inflation, and the net-zero carbon emissions initiative all require close attention and prudent response.
3. In recent years, there have been significant changes in labor laws and regulations; however, most industries have generally adapted. Although it may increase operating costs, complying with laws and fulfilling social responsibilities are the company's established policies, and there should be no significant impact on financial status.
4. In recent years, the government and civil society have promoted environmental protection and plastic reduction policies. Although it is consistent with the Company's environmental sustainability thinking, it may gradually reduce the demand for plastic, which may have a long-term negative impact on the raw material market. The impact is not significant as the company belongs to a small or already relocated industry. The Company will diversify its markets to compensate for this shrinking market.

   Although the impact of plastic reduction has already declined, the overall issue of environmental sustainability has given rise to the demand for net-zero carbon emissions, resulting in governments setting various indicators to force companies to comply. Therefore, it is necessary to closely monitor the situation in the future.

E. Effect and countermeasures of technological changes (including information security risks) and industry changes on the company's financial status in the past year and as of the date of publication of the annual report:

1. During the aforementioned period, there was no significant impacts on the Company's financial status as a result of any technological changes in the chemical industry.
2. The chemical industry is greatly affected by fluctuations in oil prices. Currently, crude oil prices continue to fluctuate, as well as inflation and disruptions after the epidemic have also prevented demand from fully recovering to pre-epidemic levels. Although the pandemic situation is easing, geopolitical tensions are pushing up oil prices, which in turn have

been constraining the chemical industry and end-market demand. In addition, the development of new technologies such as coal-to-chemicals in mainland China as well as shale gas and oil in the United States are also significant variables for the industry. The Company has been closely monitoring the changes in the oil market and has been adjusting our strategies accordingly in order to minimize the impact.

3. Regarding to information security risks:
The Company has been actively implementing network and computer security measures to prevent cyber attacks. These attacks may invade the company's network system, causing damage to the company's operations and reputation. The Company continuously reviews and evaluates information security regulations and procedures to ensure their appropriateness and effectiveness in order to be avoid being affected by new risks and attacks in the ever-changing cybersecurity landscape.
To prevent and reduce the damage caused by such attacks, the Company has implemented various improvement measures and continuously update the security systems, such as strengthening the network firewall and updating the antivirus software to detect and respond to attacks. Through these information security measures, the company aims to prevent and reduce the probability of the company being targeted by hackers or malicious software attacks. There have been no major cybersecurity events that have impacted the company's operations or financial status in 2025.

F. Effect and countermeasures of corporate image changes on corporate crisis management in the past year and as of the date of publication of the annual report:
As the corporate image of the Company has not changed, so it is not applicable.

G. Expected benefits, potential risks, and countermeasures of acquisitions: None (not applicable).

H. Expected benefits, potential risks, and countermeasures of expanding plants: Explanation: None (not applicable).
.

I. Risks and countermeasures for centralized purchasing or sales:

1. Purchasing:
(1) Centralized risks: Due to the special nature of the industry in which the Company operates, the main purchasing comes from large domestic and foreign factories. As the larger petrochemical plants tend to dominate, there is a risk of centralized purchasing.
(2) Countermeasures: As the Company has been established in the industry for decades and is a professional agent for well-known domestic and international petrochemical plants. It has not only maintained a good distribution and agency relationship with upstream petrochemical plants but also established a long-term, solid sales and service relationship with customers. Therefore, the company has established a good reputation and Know-how, which is an important channel for the production and sales of

upstream petrochemical plants. They are interdependent, so the risk of centralized purchasing can be minimized. Moreover, the petrochemical industry has a high degree of free competition, and specific manufacturers have less monopoly power. However, the Company still pays attention to changes in the industry, expands its business scope, steadily diversifies its procurement and sales markets, striving to stabilize the industry channels and make efforts to become a diversified and international company.

2. Sales: The Company has many customers, and no single customer accounts for more than 10% of transactions, so the transactions are diversified. Additionally, all customers must go through a strict credit evaluation process to minimize risk.

J. Impact, risks and countermeasures for a significant transfer of shares or changes on directors, supervisors, or shareholders holding more than 10% of the company’s shares to the company:

The Company is mainly operated by professional managers, with the board of directors only responsible for planning and supervising major policies, they seldom interfering with detailed operations. Therefore, despite changes in board members through elections, the company's operational policies have been consistently implemented. As for major shareholders, they have complete trust and support the company's management and do not interfere with the company’s governance. Even if there is a significant transfer of shares, there should be no significant impact or risk unless it results in changes in the board of directors and leading to market intervention that affecting the managers.

In 2024, the board of directors underwent a complete re-election, with more than one-third of the directors changing positions. However, the chairman and general manager remained in their posts. As they were both on the company's planned list, and the company continues to operate steadily, the aforementioned matters should not have a significant impact on the company's operations, shareholders' equity, or securities prices.

Risks and Countermeasures: None. Not applicable.

K. The impact, risks, and countermeasures of changes in management rights on the company:

As mentioned in the previous section, the Company is mainly operated by professional managers, the board of directors and major shareholders have fully authorized the operations. If there is a change in management rights of the Company, or a change in the new management team. The impact will depend on the attitude of the new team, and it is difficult to predict the outcome. However, currently the Company's major shareholder's equity is stable, and there should be no related risks.

L. Litigation or non-litigation, the company should disclose significant litigation, non-litigation, or administrative disputes that have been determined by judgment or are still pending involving the company, its directors, supervisors, general manager, substantial person, shareholders with a holding of more than 10% of the shares, or subsidiary companies. If the results may have a substantial impact on shareholder’s equity or securities price, the disputed facts, amount in controversy, commencement date of litigation, key litigants involved, and the processing status as of the date of publication of the annual report should be disclosed: None (note applicable).

M. Other important risks and countermeasures: None (not applicable).

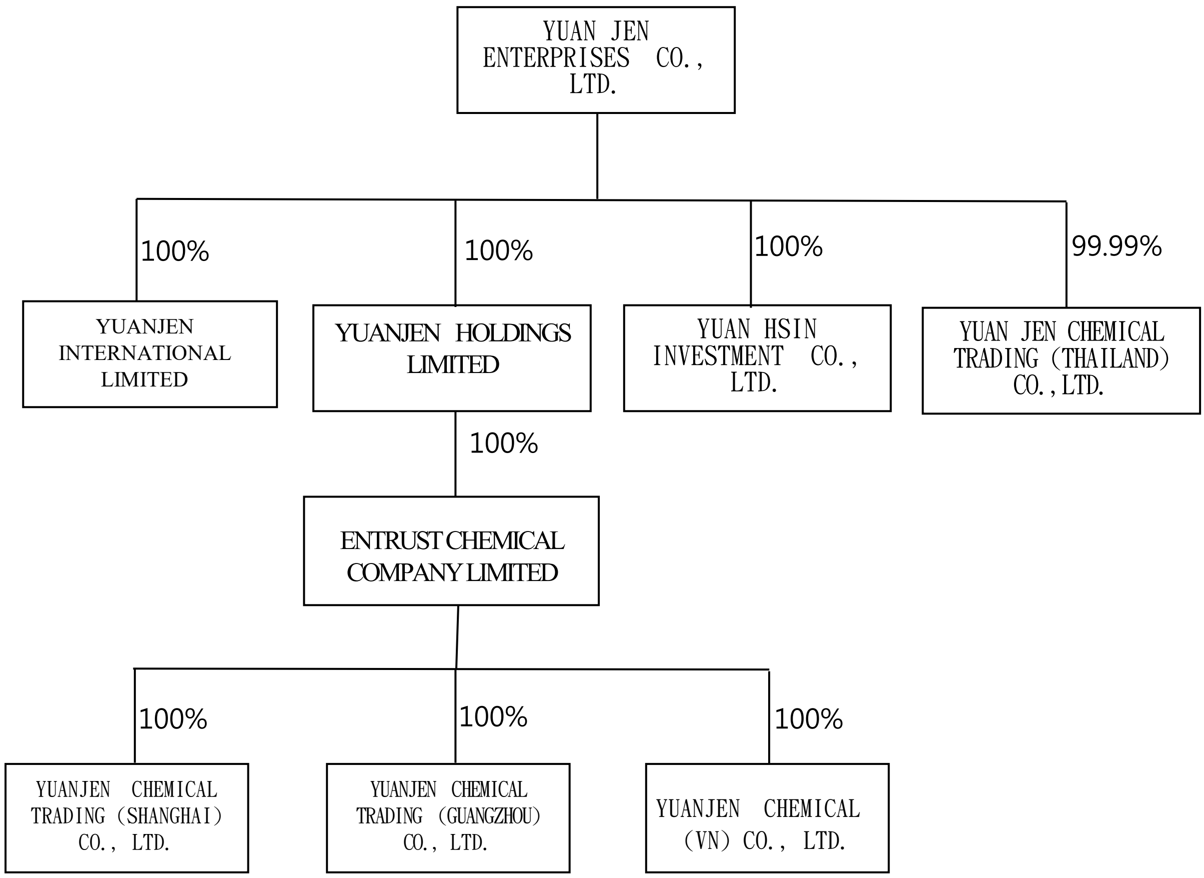
5.7 Other important matters: None.

VI. Special Disclosure

6.1 Information about the Company's Affiliates:

A. Consolidated Business Reports of Affiliated Enterprises:

1. Organizational chart of the affiliates:



2. Information of Each Affiliate:

Units: NT$ Thousands, March 31, 2026

Company name	Date of establishment	Address	Paid-in capital	Main business or production items
YUAN HSIN INVESTMENT CO., LTD.	03.25.1999	3F.-3, No. 54, Sec. 4, Minsheng E. Rd., Songshan Dist., Taipei City 105 , Taiwan (R.O.C.)	180,000	General investment business
Yuanjen Holdings Limited	07.18.2003	TrustNet Chambers,P.O,Box 3444,Road Toad Town,Tortola,British Virgin Island.	389,859 (USD$ 12,500 Thousands)	General investment business (holding)
Yuanjen International Limited	11.06.2003	TrustNet Chambers,P.O,Box 3444,Road Toad Town,Tortola,British Virgin Island.	9,246 (USD$ 300 Thousands)	The trading business of chemical raw materials and chemical.
YUANJEN CHEMICAL TRADING (SHANGHAI) CO., LTD.	07.14.2006	Room 1212, No. 1055 Zhongshan West Road, Changning District, Shanghai, China	310,812 (USD$ 10,000 Thousands)	Product wholesale of chemical raw materials, etc.
ENTRUST CHEMICAL COMPANY LIMITED	11.28.2007	Room 2702-03, C.C. Wu Building,302-8 Hennessy Road, Wanchai, Hong Kong	372,442 (USD$ 12,000 Thousands)	Holding and International Trade
YUANJEN CHEMICAL TRADING (GUANGZHOU) CO., LTD.	09.09.2011	Room 2015-2016, Tower B, Sinopec Building, No. 191 Tiyu Xi Road, Tianhe District, Guangzhou, China	29,698 (USD$ 1,000 Thousands)	Product wholesale of resins and coatings, etc.
YUANJEN CHEMICAL (VN) CO., LTD.	02.10.2020	Floor 2, No 88, Bau Cat 3 St., Ward 14, Tan Binh District, Ho Chi Minh City, Vietnam.	15,020 (USD$ 500 Thousands)	Retailing of general merchandise
YUAN JEN CHEMICAL TRADING (THAILAND) CO.,LTD.	05.29.2025	No. 4345 Bhiraj Tower at BITEC, 23rd Floor, Room No. 23083,Sukhumvit Road, Bangna Tai Subdistrict, Bangna District,	91,608 (THB 100,000 Thousands)	Retailing of general merchandise

3. Presumed to be a controlling or subsidiary entity: None.

4. Industries and business relationships covered by the overall related enterprises and their division of labor:

Industry: Chemical logistics: YUAN JEN ENTERPRISES CO., LTD., Yuanjen International Ltd., YUANJEN CHEMICAL TRADE LIMITED COMPANY (SHANGHAI), YUANJEN CHEMICAL TRADE LIMITED COMPANY (GUANGZHOU). In addition, the establishment of YUANJEN CHEMICAL (VN) CO., LTD. and YUAN JEN CHEMICAL TRADING (THAILAND) CO.,LTD. have been established, but are still affected by the economic climate and difficulty in recruiting talent, and have not yet started large-scale operations.

Investment business: YUANXIN INVESTMENT CO., LTD.,YUANJEN HOLDINGS LTD., ENTRUST CHEMICAL CO., LTD.

Division of labor: Chemical industry and investment business are separated for management.

5. Information of Affiliated Companies' Directors, Supervisors and Managers

March 31, 2026

Company name	Title	Name or representative	Shares held	
			No. of shares	Shareholding ratio
YUANXIN INVESTMENT CO., LTD.	Chairman	YUAN JEN ENTERPRISES CO., LTD.: Xu Yuan-Zhen	18,000,000	100 %
Yuanjen Holdings Limited	Chairman	YUAN JEN ENTERPRISES CO., LTD.: XU CHEN, AN-LAN	12,500,000	100 %
Yuanjen International Limited	Chairman	YUAN JEN ENTERPRISES CO., LTD.: XU, ZHEN-LONG	300,000	100 %
ENTRUST CHEMICAL COMPANY LIMITED	Chairman	Yuanjen Holdings Ltd.: XU, ZHEN-LONG	12,000,000	100%
YUANJEN CHEMICAL TRADE LIMITED COMPANY (SHANGHAI)	Chairman	ENTRUST CHEMICAL CO., Ltd. : XU, ZHEN-LONG	—	100 %
YUANJEN CHEMICAL TRADE LIMITED COMPANY (GUANGZHOU)	Chairman	ENTRUST CHEMICAL CO., Ltd.: XU, ZHEN-LONG	—	100 %

Company name	Title	Name or representative	Shares held	
			No. of shares	Shareholding ratio
YUANJEN CHEMICAL (VN) CO., LTD.	Chairman	ENTRUST CHEMICAL CO., Ltd.: XU, ZHEN-LONG	—	100 %
YUAN JEN CHEMICAL TRADING (THAILAND) CO.,LTD.	Chairman	YUAN JEN ENTERPRISES CO., LTD.: Xu Yuan-Zhen	9,999,998 (Note)	99.99 %

Note：Excluding 2 shares held under someone else's name.

6. Operational Highlights of Affiliated Companies:

(Units: NT$ Thousands), December 31, 2025

Company name	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating income	Income (loss) for the period (after-tax)	Earnings per share (NT$)
YUANXIN INVESTMENT CO., LTD.	180,000	1,208,814	1,976	1,206,838	45,969	44,311	42,555	2.36
Yuanjen Holdings Limited	389,859	561,559	0	561,558	2,914	2,748	2,750	0.22
Yuanjen International Limited	9,246	2,683	0	2,684	0	(151)	(109)	(0.36)
YUANJEN CHEMICAL TRADE LIMITED COMPANY (SHANGHAI)	372,442	561,411	0	561,411	2,743	2,634	2,914	0.24
ENTRUST CHEMICAL COMPANY LIMITED	310,812	448,590	39,515	409,074	632,536	(3,837)	(652)	–
YUANJEN CHEMICAL TRADE LIMITED COMPANY (GUANGZHOU)	29,698	141,409	43,183	98,227	765,332	1,803	3,046	–
YUANJEN CHEMICAL (VN) CO., LTD.	15,020	14,516	19	14,496	0	(93)	348	–
YUAN JEN CHEMICAL TRADING (THAILAND) CO.,LTD.	91,608	97,866	942	96,924	1,081	587	(3,106)	(0.31)

B. Consolidated Financial Statements of Affiliated Businesses:
Please refer to the next page.

C. Affiliation Report: None,not applicable .

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

For the fiscal year 2025 (from January 1 to December 31, 2025), the companies that should be included in the preparation of consolidated financial statements of related parties according to the "Standards for the Preparation of Consolidated Financial Statements and Reports of Related Parties" are the same as those that should be included in the preparation of consolidated financial statements of parent and subsidiary companies according to International Financial Reporting Standard 10. Furthermore, the relevant information that should be disclosed in the consolidated financial statements of related parties has already been disclosed in the aforementioned consolidated financial statements of parent and subsidiary companies; therefore, no further consolidated financial statements of related parties will be prepared.

This is hereby declared.

YUAN JEN ENTERPRISES CO., LTD.

By

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Chairman

March 10, 2026

6.2 Private Securities in the Past Year and as of the Date of Publication of the Annual Report: None (not applicable).

6.3 Other Necessary Supplementary Notes: None (not applicable).

6.4 Matters in the Past Year and as of the Date of Publication of the Annual Report Which Have a Substantial Impact on Owner's Equity as Stipulated in Item 2, Paragraph 3 of Article 36 of the Securities Exchange Law:

(1) Change in the General Manager:

(i)The Company's former General Manager, Mr. Xu Zhen-Long, retired on January 14, 2025. However, in recognition of his professional expertise and decades of experience leading the Company's growth, he was retained as a director. Additionally, to introduce fresh perspectives, the Board of Directors, following the Chairman's recommendation, appointed Mr. Yao Yong-Kang as the new General Manager on January 14, 2025, effective from January 15, 2025. With his academic background, experience, and professional growth, the Company aims to inject new vitality and continue advancing under his leadership.

(ii) As the appointment was an internal promotion, the transition was smooth. Furthermore, since the former General Manager continues to serve as a director, he will provide assistance in maintaining stability. Thus, the change should be viewed positively in terms of the Company's operations.

(2) This change in general manager is a normal part of the company's governance process and a step in its succession. The new general manager has over thirty years of experience in the company's professional field, making him an excellent choice. Therefore, we can have positive expectations for the company's operations.

(3) In conclusion, the company continues to operate steadily, and the aforementioned matters should not have a significant impact on the company's operations, shareholders' equity, or securities prices.

YUAN JEN ENTERPRISES CO., LTD.

Chairman Hsu,Yuan-Jen