

Annual Report is Available at:

Stock Code: 1742

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

<http://www.wax.com.tw>

Taiwan Wax Company Ltd.

2025

Annual Report

Publication Date: March 31, 2026

Spokesperson

Name: Po-Yao Tseng

Title: CFO

Telephone Number: (03)316-3816

E-mail : paul.tseng@wax.com.tw

Deputy Spokesperson

Name: To be appointed

Title:

Telephone Number:

E-mail:

Headquarters and Factory

Headquarters: 3 F., No. 610, Sec. 2, Zhongshan S. Rd., Dayuan Dist., Taoyuan City

Factory: No.1, Chung Cheng Rd., Minhsiung Industrial District, Chiayi County

Telephone Number: (03)316-3816

Share Registrar

Name: Concord Securities Co., Ltd.

Address: B1, No. 176, Keelung Rd., Sec. 1, Xinyi Dist., Taipei City

Website: <http://www.concords.com.tw>

Telephone Number: (02)8787-1888

CPAs Auditing the Financial Statements

Firm Name: Benison Associated CPAs' Firm

Name: Yu-Yg Lin, Yi-Chih Chiu

Address: Rm. 306, 3F, No. 129, Sec. 3, Minsheng E. Rd., Taipei City

Telephone Number: (02)2718-6659

Name of Any Exchange where the Company's Securities are Traded Overseas, and the Method to Access Information on the Overseas Securities

The Company does not issue overseas securities

Company Website

<http://www.wax.com.tw>

Table of Contents

Letter to Shareholders.....	1
Company Governance Report	10
One. Information on Directors, General Manager, Managers, Senior Managers, Department Heads, and Branch Managers	10
Two. Remuneration of Directors, General Manager, and Managers in the Most Recent Year.....	15
Three. Implementation of Company Governance	22
Four. Information on Audit Fee.....	50
Five. Change of Auditors: The Company changed its accounting firm and signing auditors commencing from the first quarter of 2026.	50
Six. The Chairman, General Manager, and the manager responsible for finance or accounting have been employed in the accounting firm or its related enterprises during the past year	50
Seven. Holding or Disposal of the Company’s Share by Subsidiaries of the Company in the Most Recent Fiscal Year and Up to the Publication Date of the Annual Report	51
Eight. Information on the shareholding proportions among the top ten shareholders, who are related parties or relatives within the second degree of kinship, and their relationships with each other	52
Nine. Ownership of Shares in Affiliated Enterprise	53
Capital Overview.....	54
One. Capital and Shares.....	54
Two. Issuance of corporate bonds, preferred stocks, overseas depositary receipts, employee stock options, restricted employee stock grants, and issuance of new shares for mergers, acquisitions, or equity transfers of other companies	59
Three. Financing Plans and Implementatin	59
Operation Highlights	60
One. Business Activities.....	60
Two. Market and Sales Overview	71
Three. Employee Statistics for the Most Recent Two Fiscal Years up to the Annual ReportPublication Date	76
Four. Disclosure of Environmental Information	76
Five. Labor Relations	77
Six. Information Communication Security Management.....	79
Seven. Important Contracts.....	79
Review of Financial Conditions, Operating Results, and Risk Management.....	80

One.	Financial Status	80
Two.	Financial Performance	81
Three.	Cash Flow	82
Four.	Impact of significant capital expenditures in the latest fiscal year on financial operations	82
Five.	Recent investment policy, primary reasons for profits or losses, improvement plans, and investment plans for the upcoming year	82
Six.	Risk Management	83
Seven.	Other Significant Events	85
	Special Disclosure	86
One.	Summary of Affiliated Companies	86
Two.	Private Placements of Securities conduction has occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report	86
Three.	Other matters that require additional description	86
	The situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.....	86

Letter to Shareholders

Dear Shareholders,

We extend our sincere gratitude to all shareholders for your continued support and confidence in Taiwan Wax Company Ltd.

The global political and economic environment remained challenging throughout 2025. While geopolitical risks had not fully abated, tensions moderated somewhat compared to the preceding period. Energy price volatility converged, and supply chain operations continued to improve. Meanwhile, as inflationary pressures gradually eased across major economies, monetary policy shifted toward a cautious, wait-and-see stance, and the global economy exhibited a mild recovery - though overall growth momentum remained limited.

Against this backdrop, demand in the wax market remained persistently subdued. Although supply-side conditions also tightened, persistently elevated costs for raw materials and equipment continued to pose challenges to the overall operating environment. Through the dedicated efforts of all employees, the Company continued to optimize its product mix, strengthen cost controls, and improve operational efficiency, maintaining stable business development.

Looking ahead, the Company will continue to uphold its principle of sound and pragmatic management, deepen its core competencies, and actively monitor market developments and industry trends, adjusting its business strategy with agility. The Company will also carefully evaluate opportunities in new product development and market positioning to respond to evolving conditions - pursuing growth from a foundation of stability and continuing to generate long-term value for shareholders.

The following is our company's business status report:

I. Operating Performance in 2025:

(I) Business report implementation result :

1. The total annual production, sales volume, and sales revenue are as follows:

Items	Production Volume (tons)	Sales volume (tones)	Sales value (thousands of NT\$)
Wax product sales revenue	896	1,149	72,115
Lease income from optical equipment	-	-	27,695
Revenue from procurement services of aquatic products	-	-	11,887
Total			111,697

2. Profit and loss: Generated a gross profit of NT\$26,902 thousand for the full year, with an after-tax net loss of NT\$(100,496) thousand.

(II) Financial income and analysis of profitability:

Financial Income

Unit: NT\$ thousand

Items	2025	2024
Cash provided by (used in) operating activities	463,393	369,009
Net Cash Inflow (Outflow) from Investing Activities	(4,313)	1,631,087
Net cash flows from (used in) financing activities	(308,054)	(2,020,599)

Analysis of Profitability

Items	2025	2024
Return on Assets (ROA) (%)	(7.00%)	3.80%
Return on Equity (%)	(7.78%)	6.14%
Income Before Tax to Paid-in Capital Ratio (%)	(11.31%)	8.93%
Net Profit Margin (%)	(89.97%)	35.78%
After-tax EPS	(1.08)	0.89

(III) Budget implementation:

Items	Actual figures of 2025 (NT\$ thousand)	Budget figures of 2024 (NT\$ thousand)
Operating revenue	111,697	157,235
Gross Profit (Loss)	26,902	29,446
Operating Income (Loss)	(87,071)	(4,809)
Net Income (Loss) Before Tax	(104,802)	(512)

Note: Revenue from sales of aquatic products in Mainland China is recognized on a net basis.

II. Business Plan for 2025:

(I) Guideline for management:

In 2026, the global economy remained in an adjustment phase characteristic of the post-COVID-19 period. While most countries had fully lifted restrictions and resumed normal life, geopolitical risks continued to intensify - particularly the protracted Russia-Ukraine war and escalating conflicts in the Middle East - sustaining volatility in energy and raw material prices. Combined with a lack of meaningful recovery in global end demand and persistent inflationary pressure, the broader economy exhibited stagflationary characteristics of low growth and high inflation. Although the market widely anticipated that global inflation would gradually moderate in the second half of 2026, price levels remained relatively elevated, continuing to exert pressure on industry operations and cost structures.

The global sustainability movement also accelerated, with ESG (Environmental, Social, and Governance) regulatory requirements becoming increasingly stringent. Taiwan's Financial Supervisory Commission has announced the "Listed and OTC Companies Sustainability Development Roadmap," mandating that companies meeting specified capital thresholds or classified as high-carbon-emission enterprises complete greenhouse gas inventories and disclose GHG information beginning in 2024, with phased implementation of third-party assurance and

mandatory disclosure requirements to follow. In addition, the Executive Yuan initiated a trial carbon fee mechanism in the second half of 2024, introducing tangible carbon cost implications for businesses. In response to these trends, the Company has proactively implemented the following measures:

- Strengthening the ESG governance framework and internal sustainability management system;
- Conducting greenhouse gas emissions inventories and preparing for information disclosure;
- Assessing the impact of carbon fees on manufacturing processes and product costs, and formulating low-carbon response strategies;
- Procuring raw materials with environmental advantages and continuing to develop products that meet green manufacturing requirements.

Looking ahead to 2025 amid evolving domestic and international economic conditions and the changing regulatory environment, the Company has formulated and will implement the following management policies as its strategic response and development priorities: pursuing diversification of raw material sources to reduce production costs:

1. Seeking diversification of origins and raw materials to reduce production costs:

As the world was shadowed by “stagflation,” the central bank of some countries adopted the policy of raising interest rates, moderating inflation gradually. However, as a result of the continuing “Russo-Ukrainian War” and the start of the “Israeli–Palestinian War”, it was relatively difficult to make a rapid economic recovery in the short run.

Such “stagflation” caused sluggish consumption, and China suffered the most, which led to a significant impact on the Company’s procurement of raw materials. Moreover, the wars also brought about shipping delays and increased transportation costs. To reduce risks, our company plans to increase purchase from Southeast Asian countries (Thailand, India, etc.) in 2025 to diversify risks and reduce procurement costs.

There are also a considerable number of wax manufacturers in India, but due to their older production equipment, the wax they produce, while classified as “refined wax” according to general market practices, has an oil content percentage of around 0.7%, which is inferior to our company’s products (less than 0.5%) and has low acceptance in international markets.

Our company plans to purchase Indian wax and refine it through our production process to meet the international requirements of “oil content percentage (Oil Content %)” less than 0.5%, thereby reducing our production costs and increasing competitiveness. (The production sites for refined paraffin wax in Asia are South Korea (less refined paraffin wax), Japan (high price), and Taiwan (high-quality and inexpensive).)

2. Enhance R&D capabilities and develop niche products:

Considering that the COVID-19 pandemic has slowed down, in order to stimulate the current sluggish consumption, various countries have proposed their own compensation measures to expand domestic demand, hoping that their people can gradually regain their spending power.

To seize this business opportunity, our company intends to pursue collaboration among industry, government, and academia to create new niche products in personal healthcare and medical aesthetics (such as beauty waxes and cosmetic waxes) as well as casting waxes for the manufacturing industry. This will help us broaden our market with high-profit margins and ramp up production to meet our established business objectives.

3. Streamline production processes and increase production capacity:

In this era of profit squeeze, besides seeking external funding, the other approach is to internalize cost-saving measures. Our company will introduce “big data” analysis technology and use seven quality control techniques (4M/5W2H) to eliminate “bottleneck processes” or “repetitive processes”, making production processes smoother and reducing production costs, thus increasing production capacity.

4. Sales of new products to expand into new markets and clients:

Our company plans to use newly developed niche products to seek out new markets and clients through signing, consignment, or agency sales models. This will increase sales channels, expand the sales market, and achieve the objectives of our business plan.

5. Pursuing Opportunities in the “Zero Carbon Emissions (CO₂)” Market

In recent years, due to the accelerated degree of global warming, all countries have been moving towards the direction of “Zero Carbon Emissions (CO₂).” In addition, our country plans to begin levying a “carbon tax” (NT\$300 per ton) in 2024. Furthermore, to meet the goals of “Zero Carbon Emissions (CO₂)” by 2050 and the government’s plan to phase out nuclear power by 2026, our country is actively promoting the “green energy (solar, wind)” policy.

Paraffin wax is an “energy storage” product. It is currently known that it can be used in electric motorcycle batteries, textile apparel, and indoor and outdoor building materials. Using paraffin as a phase change material is now becoming a trend. This is a huge potential business opportunity. It is advisable that the paraffin wax used for textile apparel have a low melting point (approximately below 125F for our company’s products), and a moderate melting point (approximately 135F/140F/145F for our company’s products) for indoor and outdoor building materials.

Therefore, products with a melting point of 125F or below or 135F/140F/145F/180F will be our company’s “niche” products. In addition to expanding production capacity, we will also improve the product form (granular) to meet market demands.

6. In compliance with government regulations, we adopt sustainable business practices:

Since 2015, our company has been reporting annually on our corporate social responsibility (CSR) in publicly available CSR reports. To further actualize sustainable business practices, we will introduce ESG (Environmental, Social, and Governance) in 2023.

In recent years, globalization has driven digital transformation in industries, and the ESG wave has also surged along with it. The sudden outbreak of the COVID-19 pandemic has further awakened companies to the need for immediate change. In 2025, our company will combine digital technology with ESG management principles to create an innovative concept of the “sustainable new economy.” We will evaluate potential risks in the future sustainable market and focus on the core essence of business operations to enhance our competitiveness and confront the digital transformation era.

Looking to the future, although the COVID-19 pandemic is difficult to eliminate and is still raging globally, it is expected to gradually ease. However, regional conflicts between countries continue to occur and may suppress the world’s economic recovery, causing global “stagflation” and weakening consumer purchasing power. With the development and widespread distribution of vaccines, it is believed that countries will gradually lift lockdowns and border controls. Under this circumstance, countries will continue to promote incentive measures that favor market recovery, and the strength of global economic recovery will gradually increase.

In 2026, our company will gradually expand our sales market with new products and strategies. We believe that under our existing management and operational capabilities, with a solid foundation of research and development and production equipment, as well as the development of new markets and new clients, we have the ability and methods to face future market challenges and problems and advance towards our established goals.

(II) Production plan:

With the annual operational plan as the goal and the objective of meeting sales demand, we will utilize big data analysis and apply the seven quality control methods to eliminate “bottlenecks” or “redundant processes” in order to streamline the production process, reduce production costs, and increase production output.

(III) Sales plan:

Projected sales volume for 2026 is 1,500 metric tons, representing an increase of 350 metric tons, or approximately 30.4%, over the 2025 sales volume of 1,150 metric tons. This growth is primarily attributable to a recovery in market demand and the Company’s proactive customer development efforts.

However, heightened international tensions in early 2026 caused a significant surge in international oil prices, which in turn raised the Company’s raw material and transportation-related costs, increasing overall operating costs. To mitigate cost pressure and enhance market competitiveness, the Company intends to undertake strategic bulk purchases when international conditions stabilize and oil prices retreat,

thereby reducing average procurement costs and further improving product gross margins and overall operating performance.

(1) Market maintenance:

The Company will also maintain strong collaborative relationships with existing customers by providing customized products and technical support, and will reinforce after-sales service to improve customer retention. Despite a challenging macroeconomic environment, the Company holds a substantial advantage over industry peers in both financial resources and scale. Combined with Taiwan Wax's consistent track record of delivering stable, high-quality products and reliable supply capability, the Company has continued to grow steadily within its established markets. The Company is also actively developing applications for its products in emerging industries and new end uses, and will pursue market development in new application areas in conjunction with ongoing research and development outcomes.

(2) Market expansion:

- A. Actively develop overseas markets through participation in international trade exhibitions and technical exchanges,
- B. and collaborate with agents to expand sales channels and strengthen brand presence.

C. New Market Development:

1. India Market: The population of India has grown significantly in recent years, with a population close to surpassing the 1.4 billion of mainland China. In addition, India has gradually become the second "manufacturing powerhouse" in the world, and its industries are thriving.

There are also a considerable number of wax manufacturers in India, but due to their older production equipment, the wax they produce, while classified as "refined wax" according to general market practices, has an oil content percentage of around 0.7%, which is inferior to our company's products (less than 0.5%) and has low acceptance in international markets. Our company will collaborate with existing distributors, traders, and others to take advantage of this opportunity to expand into the Indian market and increase sales.

2. North American Market: Our refined paraffin wax products, in addition to meeting the specifications for refined paraffin wax, are also sent to US laboratories for inspection and can meet the requirements of the US Food and Drug Administration (FDA). We will use the new product that meets FDA requirements (hair removal wax) to develop high-priced markets such as Europe and America, which are popular for hair removal. By entering these markets with "quality and safety" and "value for money" products, we can increase sales and product gross margins in this high-profit industry.
3. European Market: Our company used to have distributors selling to the European market (UK, Germany), but most of the products were "Footoil" with few "refined paraffin wax". Now, due to stricter EU

regulations on product quality and safety, products must meet REACH/RoHS or “halogen-free” requirements. Our wax can meet REACH/RoHS or “halogen-free” requirements, and most of them can also meet US FDA regulations. The sales department will use this advantage to seek traders to sell our products to the EU and other countries.

III. Impact of external competition, regulatory environment, and macroeconomic environment on wax products:

(I) Wax Market:

China is the world’s largest producer and exporter of wax products. However, since the outbreak of COVID-19 in 2022, many countries have been affected, especially in mainland China where lockdown and zero-tolerance measures have caused a shortage of production workers, decreased productivity, and a sudden decrease in wax product output. This has also led to a shortage of raw materials and supply chain disruption. In addition, the ongoing Russia–Ukraine war has resulted in a sudden surge in international raw material prices, increasing production costs.

In 2024, although the pandemic situation eased and the global economy gradually recovered, due to the ongoing Russia–Ukraine war and the Israeli–Palestinian War, the Red Sea was listed as a dangerous shipping lane, causing the international supply of raw materials to remain scarce, leading to high production costs and higher wax product prices, resulting in a sluggish market demand. In response to this situation, our company not only maintains its consistent high-quality products and timely client service in 2026, but also actively develops special-purpose waxes for the chemical, paper, and biomedical and beauty industries to expand our market and increase our revenue.

(II) Our company’s refined paraffin wax products adhere to the principles of stable quality, on-time delivery, and service guarantee, earning us a good reputation and establishing the “Taiwan Wax” brand, which has a clear difference from low-priced Chinese waxes in the international market. In particular, our products have completed the EU REACH registration and comply with high-quality certification standards and management systems such as ISO, RoHS, and USFDA. Particularly our Taiwan Wax products meet US FDA regulations, allowing us to maintain a position in the competitive wax market.

(III) Looking ahead to the global macroeconomic environment in 2026, the overall economic situation remains quite challenging despite the environment being full of instability. Our entire workforce will uphold the spirit of striving for excellence and work towards achieving our various planned objectives to repay our shareholders’ support.

IV. The company’s future development strategy:

Wax Business:

Through the reintegration of R&D, production, marketing, and human resources, the efficiency will be improved and the goals of cost reduction and energy conservation

and carbon reduction will be achieved, making the product more competitive and stable in the market. In addition to serving and consolidating existing clients, we will actively expand new client sources and new products. Through pragmatic marketing methods and strict quality control requirements, we aim to achieve stable profits. In the current international and domestic policy environment, “green energy” is required, and paraffin wax is an energy storage product that is essential for textiles, construction, and automotive industries (batteries). It will use the energy of production, government, academia, and research to develop corresponding products and seize this business opportunity.

Wishing you good health and success in all your endeavors. Sincerely,

Chairman

Company Governance Report

One. Information on Directors, General Manager, Managers, Senior Managers, Department Heads, and Branch Managers

I. Director's information:

Directors' information (I)

March 27, 2026

Title	Nationality	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship		
							Number of shares	%	Number of shares	%	Number of shares	%	Number of shares	%			Title	Name	Relationships
Chairman	R.O.C.	Yuan Jin Co., Ltd. Representative: Ting-Jui Chen	M 50~59	2025.12.31	1	2016.11.02	14,621,719 -	15.78% -	14,621,719 -	15.78% -	0 0	0% 0%	0 0	0% 0%	Department of Finance, Tamkang University Vice President of Finance, Kaiser Furniture Industry (Vietnam) Co., Ltd. CFO, One Power Bio Technology Co., Ltd. CFO, Sushi Express Co., Ltd. CFO, ViVa TV	Chairman, New Golden Dragon Wealth Co., Ltd. Chairman, Yuan Jin Co., Ltd.	None	None	None
Director	R.O.C.	Yuan Jin Co., Ltd. Representative: KATHYRINA PALMA	F 30~39	2025.12.31	1	2016.11.02	14,621,719 -	15.78% -	14,621,719 -	15.78% -	0 0	0% 0%	0 0	0% 0%	MBA, University of Northampton, United Kingdom	CEO and President, ANOR Technologies Pte. Ltd. (Singapore)	None	None	None
Director	R.O.C.	Yuan Jin Co., Ltd. Representative: Yen-Yi Kuo	F 30~39	2025.12.31	1	2016.11.02	14,621,719 -	15.78% -	14,621,719 -	15.78% -	0 0	0% 0%	0 0	0% 0%	Graduate School of Business, Stanford University KPMG Deloitte & Touche	Supervisor, New Golden Dragon Wealth Co., Ltd.	None	None	None
Director	R.O.C.	Yuan Jin Co., Ltd. Representative: Po-Yao Tseng	M 30~39	2026.01.08	1	2016.11.02	14,621,719 -	15.78% -	14,621,719 -	15.78% -	0 0	0% 0%	0 0	0% 0%	Certified Public Accountants Examination Manager, PWC	Independent Director, Yonggu Group Inc. Supervisor, AventaCell BioMedical Corp.	None	None	None
Director	R.O.C.	Jia-An Lin	M 30~39	2025.06.03	1	2016.06.03	1,236,951	1.33%	636,951	0.68%	0	0%	0	0%	Administration Assistant, Ben Tush Company	Corporate Shareholder, Jinghai Aquatic Product (Shanghai) Co., Ltd.	None	None	None
Independent Director	R.O.C.	Yu-Fan Ku	F 40~49	2025.06.03	1	2025.06.03	0	0%	0	0%	0	0%	0	0%	Master of Accounting, National Taiwan University Deloitte & Touche	CPA, Qianxiang Yaofan CPA Firm; Independent Director, ReaLy Development & Construction Corp.	None	None	None
Independent Director	R.O.C.	Yi-Chiao Yang	F 40~49	2025.06.03	1	2025.06.03	0	0%	0	0%	0	0%	0	0%	Assistant Professor, Department of Business Administration, Chien Hsin University of Science and Technology; Lecturer, Department of Business Administration, Chien Hsin University of Science and Technology	Assistant Professor, Department of Business Administration, Chien Hsin University of Science and Technology	None	None	None

Table I: Major shareholders of the institutional shareholders

March 27, 2026

Name of Institutional Shareholders	Major Shareholders of Institutional Investors
Yuan Jin Co., Ltd.	New Golden Dragon Wealth Co., Ltd. (100%)

Table II: Substantial shareholders in Table I who are legal entities: None

Directors' Information (II)

I. Professional qualifications and independence analysis of directors:

Name \ Criteria	Professional qualification and Experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Yuan Jin Co., Ltd. Representative: Ting-Jui Chen	1. Experience in business, legal, finance, accounting or company business 2. Professional Experience: Vice President of Finance, Kaiser Furniture Industry (Vietnam) Co., Ltd and CFO, One Power Bio Technology Co., Ltd. CFO, Sushi Express Co., Ltd. and ViVa TV	(3), (4), (5), (6)	None
Yuan Jin Co., Ltd. Representative: KATHYRINA PALMA	1. Experience in business, legal, finance, accounting or company business 2. Professional Experience: CEO and President, ANOR Technologies Pte. Ltd. (Singapore)	(3), (4), (5), (6)	None
Yuan Jin Co., Ltd. Representative: Yen-Yi Kuo	1. Experience in business, legal, finance, accounting or company business 2. Professional Experience: KPMG, Deloitte & Touche	(3), (4), (5), (6)	None
Yuan Jin Co., Ltd. Representative: Po-Yao Tseng	1. Experience in business, legal, finance, accounting or company business 2. Professional Experience: Independent Director, Yonggu Group Inc. and Supervisor, AventaCell BioMedical Corp.	(3), (4), (5)	1
Jia-An Lin	1. Experience in business, legal, finance, accounting or company business 2. Professional Experience: Corporate Shareholder, Jinghai Aquatic Product (Shanghai) Co., Ltd.	(3), (4)	None
Yu-Fan Ku	1. Experience in business, legal, finance, accounting or company business 2. Professional Experience: CPA, Qianxiang Yaofan CPA Firm; Independent Director, ReaLy Development & Construction Corp.	(1), (2), (3), (4), (5), (6)	1
Yi-Chiao Yang	1. Experience in business, legal, finance, accounting or company business 2. Professional Experience: Assistant Professor, Department of Business Administration, Chien Hsin University of Science and Technology	(1), (2), (3), (4), (5), (6)	None

Note 1: None of the directors have any of the circumstances listed in Article 30 of the Company Act.

Note 2: The independent situation includes the following:

- (1) Not an employee of the Company or its affiliates.
- (2) Not a director or supervisor of the Company or its affiliates.
- (3) Not a natural person shareholder who, together with their spouse, minor children, or shares held in the name of others, holds more than 1% of the total shares issued by the Company or is among the top ten shareholders.
- (4) Not a spouse, blood relative within the second degree, or lineal relative within the third degree of any person listed in the preceding three sub paragraphs.
- (5) Not a director, supervisor, or employee of a company that has a specific relationship with the Company.
- (6) Has not received any remuneration for providing legal, financial, accounting or other services to the Company or its affiliates in the past two years.

II. Board Diversity and Independence:

- (I) Board Diversity: The Board of Directors of the Company consists of five directors and two independent directors. Female directors currently number four, exceeding one-half of total board seats, meeting the Company's stated target. The members of the Board of Directors are composed of experts in various fields such as industry, finance and accounting, law, etc. In order to achieve the ideal goal of corporate governance, the overall ability and implementation of the Board of Directors are as shown in the table below:

Diversified Core Name	Basic Composition					Capability that Meets Requirements					
	Nationality	With Employee Status	Gender Age	Independent Director Length of Service		Business Management	Leadership and Decision-Making	Industry Knowledge	Financial and Accounting	International Market Outlook	Risk Management
				>3 years	<3 years						
Yuan Jin Co., Ltd. Representative: Ting-Jui Chen	R.O.C.	V	M 50~59			V	V	V	V	V	V
Yuan Jin Co., Ltd. Representative: KATHYRINA PALMA	Philippines		F 40~49			V	V	V	V	V	V
Yuan Jin Co., Ltd. Representative: Yen-Yi Kuo	R.O.C.		F 30~39			V			V	V	V
Yuan Jin Co., Ltd. Representative: Po-Yao Tseng	R.O.C.	V	M 30~39			V	V	V	V	V	V
Jia-An Lin	R.O.C.	V	M 30~39			V	V	V		V	V
Yu-Fan Ku	R.O.C.		F 30~39			V	V	V	V	V	V
Yi-Chiao Yang	R.O.C.		F 40~49			V	V			V	V

- (II) Board Independence: The Company has a total of 7 directors, including 2 independent directors, accounting for 28% of the total. The independent directors do not have any circumstances as stipulated in Article 26-3, paragraph 3, and paragraph 4 of the Securities and Exchange Act.

III. Information on General Manager, Deputy General Manager, Senior Managers, and Department Heads, and Branch Managers

March 27, 2026

Title	Nationality	Name	Gender	Inauguration Date	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers Who Are Spouses or Related Within the Second Degree of Kinship			Remarks
					Number of shares	%	Number of shares	%	Number of shares	%			Title	Name	Relationships	
General Manager	R.O.C.	Ting-Jui Chen	M	2026.03.10	0	0%	0	0%	0	0%	Department of Finance, Tamkang University Vice President of Finance, Kaiser Furniture Industry (Vietnam) Co., Ltd. CFO, One Power Bio Technology Co., Ltd. CFO, Sushi Express Co., Ltd. CFO, ViVa TV	Chairman, New Golden Dragon Wealth Co., Ltd. Chairman, Yuan Jin Co., Ltd.	None	None	None	None
Deputy General Manager	R.O.C.	Zi-Jun Lin	F	2023.01.12	0	0%	0	0%	0	0%	Indiana University	President, Gong Che Yan Fresh Seafood Co., Ltd. Independent Director, Daily Polymer Corp.	None	None	None	None
CFO	R.O.C.	Po-Yao Tseng	M	2022.11.03	0	0%	0	0%	0	0%	Graduate School of Accounting, Yunlin University of Science and Technology Certified Public Accountants Examination Manager, PWC	Independent Director, Yonggu Group Inc. Supervisor, AventaCell BioMedical Corp.	None	None	None	None

Two. Remuneration of Directors, General Manager, and Managers in the Most Recent Year:

(I) Remuneration of Directors (including independent directors)

Title	Name	Director remuneration								Ratio of Total Remuneration (A+B+C+D) to Net income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company		
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)								
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements			The Company	Companies in the consolidated financial statements
																		Amount of Cash Dividends	Amount of Stock Dividends	Amount of Cash Dividends	Amount of Stock Dividends			
Chairman	Yuan Jin Co., Ltd.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None	
	Representative: Je-Yin Lin (Note 1)	0	0	0	0	0	0	50	50	50 (0.05)	50 (0.05)	1,408	3,817	2,330	2,351	200	0	200	0	3,988 (3.97)	6,418 (6.39)	None		
Director	Representative: Wen-Zhe Lin (Note 1)	0	0	0	0	0	0	40	40	40 (0.04)	40 (0.04)	0	0	0	0	0	0	0	0	40 (0.04)	40 (0.04)	None		
	Representative: Zi-Jun Lin (Note 1)	0	0	0	0	0	0	50	50	50 (0.05)	50 (0.05)	1,685	2,418	97	111	100	0	100	0	1,932 (1.92)	2,679 (2.67)	None		
	Representative: Jiu-Jeng Lee (Note 1)	0	0	0	0	0	0	40	40	40 (0.04)	40 (0.04)	0	0	0	0	0	0	0	0	40 (0.04)	40 (0.04)	None		
	Representative: Yang-Zheng Lu (Note 1)	0	0	0	0	0	0	20	20	20 (0.02)	20 (0.02)	0	0	0	0	0	0	0	0	20 (0.02)	20 (0.02)	None		
	Representative: Sen-Xiang Chiu (Note 2)	0	0	0	0	0	0	120	120	120 (0.12)	120 (0.12)	412	412	412	412	0	0	0	0	532 (0.53)	532 (0.53)	None		
	Representative: Wan-Chuan Liao (Note 2)	0	0	0	0	0	0	80	80	80 (0.08)	80 (0.08)	0	0	0	0	0	0	0	0	80 (0.08)	80 (0.08)	None		
	Representative: Po-Yao Tseng	0	0	0	0	0	0	80	80	80 (0.08)	80 (0.08)	1,567	1,567	67	67	10	0	10	0	1,724 (1.72)	1,724 (1.72)	None		
	Jia-Yo Lin (Note 3)	0	0	0	0	0	0	80	80	80 (0.08)	80 (0.08)	501	908	55	55	10	0	10	0	646 (0.65)	1,053 (1.05)	None		
	Jia-An Lin	0	0	0	0	0	0	80	80	80 (0.08)	80 (0.08)	564	1,640	50	50	10	0	10	0	704 (0.7)	1,780 (1.77)	None		
Independent Director	Yu-Fan Ku (Note 4)	0	0	0	0	0	0	125	125	125 (0.12)	125 (0.12)	0	0	0	0	0	0	0	0	125 (0.12)	125 (0.12)	None		
	Yi-Chiao Yang (Note 4)	0	0	0	0	0	0	125	125	125 (0.12)	125 (0.12)	0	0	0	0	0	0	0	0	125 (0.12)	125 (0.12)	None		
Independent Director	Zhao-Wei Pan (Note 5)	0	0	0	0	0	0	150	150	150 (0.15)	150 (0.15)	0	0	0	0	0	0	0	0	150 (0.15)	150 (0.15)	None		
Independent Director	Zong-Yi Chen (Note 1)	0	0	0	0	0	0	60	60	60 (0.06)	60 (0.06)	0	0	0	0	0	0	0	0	60 (0.06)	60 (0.06)	None		

Independent Director	Man-Sheng Huang (Note 1)	0	0	0	0	0	0	60	60	60 (0.06)	60 (0.06)	0	0	0	0	0	0	0	0	60 (0.06)	60 (0.06)	None
----------------------	--------------------------	---	---	---	---	---	---	----	----	--------------	--------------	---	---	---	---	---	---	---	---	--------------	--------------	------

Note 1: Retired upon director re-election on June 3, 2025. (Remuneration of NT\$229 thousand for Chairperson's vehicle driver)

Note 2: Reassigned and resigned effective December 31, 2025.

Note 3: Dismissed effective January 27, 2026.

Note 4: Newly appointed upon director re-election on June 3, 2025.

Note 5: Resigned December 12, 2025.

Range of Remuneration

Remuneration Range for Each Director of the Company	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Less than NT\$ 1,000,000	Je-Yin Lin, Zi-Jun Lin, Wen-Zhe Lin, Jiu-Jeng Lee, Sen-Xiang Chiu, Yang-Zheng Lu, Zong-Yi Chen, Man-Sheng Huang, Zhao-Wei Pan, Jia-Yo Lin, Jia-An Lin, Wan-Chuan Liao, Po-Yao Tseng, Yu-Fan Ku, Yi-Chiao Yang	Je-Yin Lin, Zi-Jun Lin, Wen-Zhe Lin, Jiu-Jeng Lee, Sen-Xiang Chiu, Yang-Zheng Lu, Zong-Yi Chen, Man-Sheng Huang, Zhao-Wei Pan, Jia-Yo Lin, Jia-An Lin, Wan-Chuan Liao, Po-Yao Tseng, Yu-Fan Ku, Yi-Chiao Yang	Wen-Zhe Lin, Jiu-Jeng Lee, Sen-Xiang Chiu, Yang-Zheng Lu, Zong-Yi Chen, Man-Sheng Huang, Zhao-Wei Pan, Jia-Yo Lin, Jia-An Lin, Wan-Chuan Liao, Yu-Fan Ku, Yi-Chiao Yang	Wen-Zhe Lin, Jiu-Jeng Lee, Sen-Xiang Chiu, Yang-Zheng Lu, Zong-Yi Chen, Man-Sheng Huang, Zhao-Wei Pan, Wan-Chuan Liao, Yu-Fan Ku, Yi-Chiao Yang
NT\$1,000,000 ~ NT\$1,99,999			Zi-Jun Lin, Po-Yao Tseng	Po-Yao Tseng, Jia-Yo Lin, Jia-An Lin
NT\$2,000,000 ~ NT\$3,499,99				Zi-Jun Lin
NT\$3,500,000 ~ NT\$4,999,999			Je-Yin Lin	
NT\$5,000,000 ~ NT\$9,999,999				Je-Yin Lin
NT\$10,000,000 ~ NT\$14,999,999				
NT\$15,000,000 ~ NT\$29,999,999				
NT\$30,000,000 ~ NT\$49,999,999				
NT\$50,000,000 ~ NT\$99,999,999				
Greater than or equal to NT\$100,000,000				
Total	15	15	15	15

(II) Remuneration of General Manager and Managers

Unit: NT\$ thousand

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Ratio of total compensation (A+B+C+D) to net income (%)		Remuneration from ventures other than subsidiaries or from the parent company
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
								Amount of Cash Dividends	Amount of Stock Dividends	Amount of Cash Dividends	Amount of Stock Dividends			
Deputy General Manager	Zi-Jun Lin	1,503	2,235	97	111	182	182	100	0	0	0	1,882 (1.87)	2,628 (2.62)	None
CFO	Po-Yao Tseng	1,207	1,207	67	67	360	360	10	0	0	0	1,644 (1.64)	1,644 (1.64)	None

Range of Remuneration

Remuneration Range for Each General Manager and Deputy General Manager of the Company	Name of General Manager and Deputy General Manager	
	The Company	Companies in the consolidated financial statements
Less than NT\$ 1,000,000		
NT\$1,000,000 ~ NT\$1,999,999	Zi-Jun Lin, Po-Yao Tseng	Po-Yao Tseng
NT\$2,000,000 ~ NT\$3,499,999		Zi-Jun Lin
NT\$3,500,000 ~ NT\$4,999,999		
NT\$5,000,000 ~ NT\$9,999,999		
NT\$10,000,000 ~ NT\$14,999,999		
NT\$15,000,000 ~ NT\$29,999,999		
NT\$30,000,000 ~ NT\$49,999,999		
NT\$50,000,000 ~ NT\$99,999,999		
Greater than or equal to NT\$100,000,000		
Total	2	2

(III) Managerial officers with the top five highest remuneration amounts in the Company

Unit: NT\$ thousand

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Ratio of total compensation (A+B+C+D) to net income (%)		Remuneration from ventures other than subsidiaries or from the parent company
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements (Note 5)		The Company	Companies in the consolidated financial statements	
								Cash	Shares	Cash	Shares			
Chairman	Je-Yin Lin (None 1)	1,232	3,400	2,330	2,350	176	417	200	0	0	0	3,938 (3.92)	6,367 (6.34)	None
Deputy General Manager	Zi-Jun Lin	1,503	2,235	97	111	182	182	100	0	0	0	1,882 (1.87)	2,628 (2.62)	None
CFO	Po-Yao Tseng	1,207	1,207	67	67	360	360	10	0	0	0	1,724 (1.72)	1,724 (1.72)	None
Sales	Jia-Yo Lin	856	856	55	55	52	52	10	0	0	0	973 (0.97)	973 (0.97)	
Sales	Jia-An Lin	711	1,338	50	50	302	302	10	0	0	0	1,073 (1.07)	1,700 (1.7)	

Note 1: Term expired on June 3, 2025; retired as Chairperson of the Company.

(IV) Manager names and allocation status for the 2025 fiscal year employee remuneration distribution.

Unit: NT\$ thousand

	Title	Name	Shares	Cash	Total	Ratio of Total Amount to Net Income (%)
Managers	Chairman and General Manager	Ting-Jui Chen	0	0	0	0
	Deputy General Manager	Zi-Jun Lin				
	CFO	Po-Yao Tseng				

IV. Analysis of the ratio of total remuneration paid to directors, supervisors, general managers, and managers by this company and all consolidated companies in the past two fiscal years as a percentage of the after-tax net income, and an explanation of the policy, standards, and composition of remuneration, the procedures for determining remuneration, and the correlation with operating performance:

- (I) The analysis of the ratio of total remuneration paid to directors, supervisors, general managers, and managers as a percentage of after-tax net income is shown in the following table, and all related payments are processed in accordance with the regulations of this company.

Unit: NT\$ thousand

Position \ Year	2025		2024	
	Total Remuneration	% of After-tax Net Income	Total Remuneration	% of After-tax Net Income
Director	14,886	(14.82)%	5,229	6.32%
GM and Managers	4,272	(4.25)%	3,051	3.69%

- (II) The policy, standards and composition of remuneration, procedures for determining remuneration, and the correlation with operating performance and future risks of remunerating directors, supervisors, general managers, and managers: Directors and supervisors only receive transportation allowances; the salaries of general managers and managers are determined based on industry standards, and the payment of bonuses is subject to the company's earnings and performance.

Three. Implementation of Company Governance

I. Operations of the Board of Directors

(1) Information on the Operations of the Board of Directors

A total of 6 (A) meetings of the Board of Directors were held in the previous period. The attendance of director and supervisor were as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【 B / A 】	Remarks	
Chairman	Yuan Jin Co., Ltd.	Sen-Xiang Chiu	6	6	100%	Re-elected
Director		Po-Yao Tseng	4	4	100%	Newly elected
		Wan-Chuan Liao	4	4	100%	Newly elected
Director	Jia-Yo Lin	4	4	100%	Newly elected	
Director	Jia-An Lin	4	4	100%	Newly elected	
Independent Director	Yu-Fan Ku	4	4	100%	Newly elected	
Independent Director	Yi-Chiao Yang	4	4	100%	Newly elected	
Chairman	Yililong Investment Co., Ltd. Representative: Je-Yin Lin	2	2	100%	Not re-elected	
Director	Yuan Jin Co., Ltd.	Wen-Zhe Lin	2	2	100%	Not re-elected
		Jiu-Jeng Lee	2	2	100%	Not re-elected
		Yang-Zheng Lu	1	2	50%	Not re-elected
Director	Yililong Investment Co., Ltd. Representative: Zi-Jun Lin	2	2	100%	Not re-elected	
Independent Director	Zong-Yi Chen	2	2	100%	Not re-elected	
Independent Director	Man-Sheng Huang	2	2	100%	Not re-elected	
Independent Director	Zhao-Wei Pan	5	5	100%	Resigned	

Other mentionable items:

- I. Matters listed in Article 14-3 of the Securities and Exchange Act, as well as decisions of the board of directors on which independent directors have expressed opposition or reservation with records or written statements, should specify the date and period of the board meeting, the content of the proposal, the opinions of all independent directors, and the company's handling of the independent directors' opinions: None.
- II. If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None
- III. Evaluation of the goals to strengthen the functions of the board of directors in the current year and the most recent year (such as setting up an audit committee, enhancing information transparency, etc.) and the implementation status:
 - (1) Strengthening of functions:
 - a. The Company has established "Procedural Rules of the Meeting of the Board of Directors," and the operation of the board of directors follows these rules.
 - (2) Enhancing information transparency: The Company has a spokesperson, and there is a dedicated person responsible for disclosing public information and maintaining the official website.

(2) Implementation Status of Board Evaluation

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation items	Evaluation results
Once a year	January 1 to December 31, 2025	Board of Directors	Internal Self-Evaluation of the Board of Directors	<ol style="list-style-type: none"> 1. Degree of participation in company operations. 2. Enhancing the quality of board decisions. 3. Board composition and structure. 4. Director selection and continuing education. 5. Internal control. 	The overall self-evaluation result of the board of directors' performance is "excellent".
		Functional Members	Internal Self-Evaluation of Each Functional Committee	<ol style="list-style-type: none"> 1. Degree of participation in company operations. 2. Awareness of the Responsibilities of Functional Committees 3. Improving the decision-making quality of Functional Members 4. Composition of functional committees and member selection. 5. Internal control. 	The self-evaluation results of the compensation committee and the audit committee are "excellent".
		Individual Board Members	Self-Evaluation by Directors	<ol style="list-style-type: none"> 1. Mastery of company goals and missions. 2. Awareness of Directors' Responsibilities 3. Degree of participation in company operations. 4. Internal relationship management and communication. 5. Director's expertise and continuing education. 6. Internal control. 	The self-evaluation results of board members' performance are in the range of "good" to "excellent".

II. Operation of the Audit Committee or the participation of the Supervisor in the operation of the Board of Directors:

1. Operations of the Audit Committee

A total of 5 (A) Audit Committee meetings were held in the previous period. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A)	Remarks
Independent Director	Yu-Fan Ku	3	3	100%	Newly elected
Independent Director	Yi-Chiao Yang	3	3	100%	Newly elected
Independent Director	Zhao-Wei Pan	4	4	100%	Resigned
Independent Director	Zong-Yi Chen	2	2	100%	Not re-elected
Independent Director	Man-Sheng Huang	2	2	100%	Not re-elected

Other mentionable items:

- I. If any of the following situations exist in the operation of the Audit Committee, the minutes shall include the date, period, agenda, any objections or reservations by independent directors, significant recommendations, the resolution of the Audit Committee, and the company's response to the opinions of the Audit Committee.
 - (I) Matters referred to in Article 14-5 of the Securities and Exchange Act
 - (II) Other resolutions that have not been passed by the Audit Committee but have been approved by more than two-thirds of all directors: None.
- II. The execution status of independent directors' recusal from interested party transactions: None.
- III. Communication between independent directors, internal audit personnel, and accountants: Please refer to our company website at <https://www.wax.com.tw>

III. Corporate Governance Implementation Status and Deviations from the Corporate Governance Best-Practice Principles:

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles and Reasons
	Yes	No	Summary	
I. Does the company establish and disclose the Corporate Governance Best- Practice Principles based on Corporate Governance Best-Practice Principles for the Company?	V		The Company has established its corporate governance guidelines in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and disclosed them on the Market Observation Post System and the Company’s website.	There is no significant difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
II. Shareholding structure & shareholders’ rights				
(I) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		(I) The Company has established a speech system, which is responsible for handling issues related to shareholder suggestions, doubts, disputes, and other related issues.	There is no significant difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
(II) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		(II) The Company has established a stock affairs unit and a stock agency to be able to identify the actual controllers of the Company’s major shareholders and the final control list of the Company’s major shareholders, and to regularly report changes in shareholdings of directors, supervisors, managers, and shareholders holding more than 10% of shares in accordance with the regulations.	
(III) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	V		(III) The Company has established measures to control transactions with related parties of affiliated enterprises, endorsements and guarantees, and funding loans. In addition, in accordance with Article 3 of the “Practical Guidelines for Corporate Governance of Listed and OTC Companies,” the Company encourages its subsidiaries to establish internal control systems and regularly reviews the design and implementation of the systems to ensure their effectiveness in	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles and Reasons
	Yes	No	Summary	
(IV) Does the company establish internal rules against insiders trading with undisclosed information?	V		<p>response to internal and external changes.</p> <p>(IV) The company has established internal operating procedures for handling major information and standardized internal operating procedures for keeping major information confidential to avoid improper leakage of information and strengthen the prevention of insider trading.</p>	
<p>III. Composition and Responsibilities of the Board of Directors</p> <p>(I) Does the Board develop and implement a diversified policy for the composition of its members?</p> <p>(II) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?</p> <p>(III) Has the company established a method for evaluating the performance of the Board of Directors and its evaluation criteria, conducted performance evaluations annually and regularly, reported the results of the performance evaluations to the Board of Directors, and applied them to the individual director's compensation and nomination for reappointment?</p> <p>(IV) Does the company regularly evaluate the independence of the audit accountants?</p>	V	V	<p>(I) When considering candidates, the company considers the diversity of the Board of Directors' members in various professional fields and objectively evaluates the conditions to ensure diversity.</p> <p>(II) The company has established a "Compensation and Remuneration Committee" and an "Audit Committee" in accordance with legal regulations and will establish other functional committees in the future as required by laws or practices.</p> <p>(III) The Company has established the "Board of Directors Performance Evaluation Measures", which are implemented once a year to evaluate the overall performance of the board of directors, individual directors, and functional committees, in order to improve the overall performance of the board of directors.</p> <p>(IV) Each year, the Company requires its signing auditors to provide independence declarations and audit quality indicators, the results of which are submitted to the Audit Committee and the Board of</p>	There is no significant difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles and Reasons
	Yes	No	Summary	
			Directors for approval. For auditor independence assessment criteria, please refer to the notes below.	
IV. Does the listed company have an adequate number of corporate governance personnel with appropriate qualifications, which includes but not limited to provide the furnishing information required for business execution by directors and supervisors, assist directors and supervisors with legal compliance, handle matters relating to board meetings and shareholders meetings according to laws, and produce minutes of board meetings and shareholders meetings?	V		To implement corporate governance and safeguard shareholder rights, the company has appointed Zi-Jun Lin as the Deputy-GM in charge of corporate governance, as decided by the Board of Directors on March 21, 2023. Zi-Jun Lin will serve as the top executive responsible for corporate governance-related matters, and will receive direct reports from the shareholder services personnel. With over 3 years of experience in managing financial, shareholder, and procedural matters in publicly traded companies.	There is no significant difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
V. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, clients, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	V		(I) The company has corresponding windows for business management and operation projects. Stakeholders can make good use of the “Market Observation Post System” to understand relevant information about the company and communicate through the company’s spokesperson/representative smoothly. (II) In addition to setting up a spokesperson system for external communication, the company has also set up an email address for reporting and complaints.	There is no significant difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
VI. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The company has appointed Concord Securities Co., Ltd Shareholder Services Department to handle shareholder meeting affairs.	There is no significant difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
VII. Information Disclosure				
(I) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	V		(I) The company has established a website: www.wax.com.tw, which is maintained and discloses relevant information by relevant departments.	There is no significant difference from the Corporate Governance Best Practice Principles for

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles and Reasons
	Yes	No	Summary	
<p>(II) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?</p> <p>(III) Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?</p>	V		<p>(II) The company has established a spokesperson system and relevant departments regularly and irregularly declare various related information on the Public Information Observation Station, and publish significant news according to relevant regulations.</p> <p>(III) The company announces its annual financial report (within three months), first, second, and third quarterly financial reports (within 45 days), and monthly operating status (before the 10th of each month) in accordance with Article 36 of the Securities Exchange Act. Due to considering group consolidation, the annual financial report cannot be announced and reported within two months after the end of the accounting year.</p>	TWSE/TPEX Listed Companies.
VIII. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of client relations policies, and purchasing insurance for directors and supervisors)?	V		<p>(I) Employee benefits and employee care: The company regards employees as the greatest asset and has a complete plan for employee welfare and work benefits. In addition to establishing an Employee Welfare Committee, it also has a sound education and training system, health care, and restaurant services to provide comprehensive welfare for work and life.</p> <p>(II) Investor relations and stakeholders' rights: The company has established a complete spokesperson system, provides a perfect communication channel with investors, and regularly uploads the company's complete financial and business information to the Market Observation Post System.</p> <p>(III) Supplier relations: The company is closely linked with important suppliers to ensure that important raw materials can be supplied in a timely and sufficient manner.</p>	There is no significant difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles and Reasons
	Yes	No	Summary	
			(IV) Training situation of directors and supervisors: The company arranges and encourages directors and supervisors to study relevant professional knowledge after considering the company's business focus and main business direction. (V) Purchase of liability insurance by directors and supervisors: The company has purchased liability insurance for directors, supervisors, and key employees.	
IX. Regarding the recent annual release of the corporate governance evaluation results by the Corporate Governance Center of Taiwan Stock Exchange Corporation, please explain the progress made in the improved situation, and propose priority strengthening measures for those that have not yet been improved: In the future, to enhance information transparency, we will strengthen the information disclosed on the company's website and continue to increase the disclosure of information in English				

Note: Auditor Independence Assessment Criteria

Assessment Criteria	Evaluation results	Whether Independence is Confirmed
1. Whether the spouse or a relative within the second degree of kinship is an employee of the Company or any of its affiliated enterprises.	Not applicable	Yes
2. Whether the auditor serves as a director of the Company or any of its affiliated enterprises.	Not applicable	Yes
3. Whether the auditor, their spouse, minor children, or natural person shareholders holding 1% or more of the Company's total issued shares, or among the top ten shareholders by shareholding, hold shares under another person's name.	Not applicable	Yes
4. Whether the auditor has a spousal or second-degree kinship relationship with any other director.	Not applicable	Yes
5. Whether the auditor has a direct or indirect financial interest relationship with the Company.	Not applicable	Yes
6. Whether the auditor has any financing or guarantee arrangements with the Company or its directors.	Not applicable	Yes
7. Whether the auditor provides non-audit services to the Company that could directly affect audit work.	Not applicable	Yes
8. Whether the auditor acts as an intermediary for the Company's issued shares or other securities.	Not applicable	Yes
9. Whether the auditor acts as the Company's advocate or represents the Company in mediating disputes with third parties.	Not applicable	Yes
10. Whether any circumstances set forth in Article 30 of the Company Act apply.	Not applicable	Yes

IV. Composition, Responsibilities and Operations of the Remuneration Committee:

- (I) Composition of the Compensation Committee: The compensation committee of the company was established on December 23, 2011, and consists of three members.
- (II) Responsibilities of the Committee:
 - (1) Develop and regularly review policies, systems, standards, and structures for evaluating the performance of directors, supervisors, and managers and determining their compensation and rewards.
 - (2) Regularly evaluate and determine the remuneration of directors and managers.
- (III) Operating status: The committee shall hold at least two meetings per year. If any member has objections or reservations to the committee's resolutions, and such objections or reservations are recorded or provided in writing, they shall be recorded in the minutes of the meeting.

(1) Information on Remuneration Committee Members

Criteria		Qualifications and Experiences	Independence Status	Number of directors serving as members of compensation committees of other publicly listed companies
Name	position			
Independent Director	Yu-Fan Ku	<ul style="list-style-type: none"> ● Experience in business, legal, financial, accounting, or corporate affairs. ● CPA, Qianxiang Yaofan CPA Firm; Independent Director, ReaLy Development & Construction Corp. 	<p>Compliance with Article 6 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”</p> <ul style="list-style-type: none"> ● Neither I nor my spouse, nor any second-degree relatives, have served as a director, supervisor, or employee of the Company or its affiliated enterprises; ● Neither I nor my spouse, nor any second-degree relatives (or using another person’s name), hold more than one percent of the total issued shares of the Company or are among the top ten natural-person shareholders. ● I have not served as a director, supervisor, or employee of a specific related company of the Company. ● I have not received any compensation for providing business, legal, financial, accounting, or other services to the Company or its affiliated enterprises in the past two years. 	1
Independent Director	Yi-Chiao Yang	<ul style="list-style-type: none"> ● Experience in business, legal, financial, accounting, or corporate affairs. ● Assistant Professor, Department of Business Administration, Chien Hsin University of Science and Technology 	<p>Compliance with Article 6 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”</p> <ul style="list-style-type: none"> ● Neither I nor my spouse, nor any second-degree relatives, have served as a director, supervisor, or employee of the Company or its affiliated enterprises; ● Neither I nor my spouse, nor any second-degree relatives (or using another person’s name), hold more than one percent of the total issued shares of the Company or are among the top ten natural-person shareholders. ● I have not served as a director, supervisor, or employee of a specific related company of the Company. ● I have not received any compensation for providing business, legal, financial, accounting, or other services to the Company or its affiliated enterprises in the past two years. 	0

Committee Member	Chia-Lun Li	<ul style="list-style-type: none"> • Professionals such as judges, prosecutors, lawyers, accountants, or other professional and technical personnel who have passed the relevant national examinations and obtained professional certificates required for the Company's business. • Managing Partner / Principal Attorney, Humble House Attorneys-At-Law 	<p>Compliance with Article 6 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"</p> <ul style="list-style-type: none"> • Neither I nor my spouse, nor any second-degree relatives, have served as a director, supervisor, or employee of the Company or its affiliated enterprises; • Neither I nor my spouse, nor any second-degree relatives (or using another person's name), hold more than one percent of the total issued shares of the Company or are among the top ten natural-person shareholders. • I have not served as a director, supervisor, or employee of a specific related company of the Company. • I have not received any compensation for providing business, legal, financial, accounting, or other services to the Company or its affiliated enterprises in the past two years. 	0
------------------	-------------	---	---	---

(2) Information on the Operation of the Remuneration Committee

- I. The Company's Remuneration Committee consists of three members.
- II. The term of the current committee is from June 5, 2025 to June 2, 2028. The committee held four (4) meetings in the latest fiscal year (A), and the membership and attendance are as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A)	Remarks
Independent Director	Yu-Fan Ku	2	2	100%	Newly elected
Independent Director	Yi-Chiao Yang	2	2	100%	Newly elected
Independent Director	Zhao-Wei Pan	3	3	100%	Resigned
Independent Director	Man-Sheng Huang	2	2	100%	Not re-elected
Independent Director	Zong-Yi Chen	2	2	100%	Not re-elected

Other mentionable items:

1. If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (eg., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.
2. Resolutions of the remuneration committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.

V. Fulfillment of CSR and Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies.

Initiative	Implementation Status (Note 1)			Deviations from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies
	Y	No	Summary	
I. Does the company establish a governance framework to promote sustainable development, set up a dedicated unit for promoting sustainable development, and authorizes senior management authorized by the board of directors, as well as supervise by the board of directors?		V	The company has not established a governance framework for promoting sustainable development but implements the sustainable development policy through internal promotion.	There are no significant differences
II. Does the company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?		V	Although the company has not established a policy or system for corporate social responsibility, it has made every effort to fulfill its responsibilities in environmental protection, community improvement, creating social welfare, protecting consumer rights, and promoting harmonious labor relations, and urges its subsidiaries to do the same.	There are no significant differences
III. Environmental issues (I) Does the company establish proper environmental management systems based on the characteristics of their industries?	V		The company promotes an environmental, safety, and health system to comply with government laws and regulations, such as implementing the ISO-14001 environmental management system. The safety, health, and environmental protection department is responsible for supervising, managing, and implementing safety, health, environmental, and fire-related business.	There are no significant differences
(II) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	V		The company is committed to achieving energy recovery and waste reduction goals to reduce its impact on the environment.	There are no significant differences
(III) Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	V		In line with the government's greenhouse gas inventory and registration initiatives, the company carries out VOC inspections of process equipment and reduces wastewater to reduce its impact on the environment.	There are no significant differences
(IV) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?	V		1. Please provide the following statistical data, intensity (e.g. calculated per unit of product, service or revenue) and data coverage (e.g. all factories and subsidiaries) for the past two years: (1) Greenhouse gas emissions: including carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, nitrogen trifluoride, and others	There are no significant differences

			<p>announced by the competent authority, distinguishing direct emissions (Scope 1, emissions directly from owned or controlled sources by the company), energy indirect emissions (Scope 2, emissions from the consumption of purchased electricity, heat or steam), and other indirect emissions (Scope 3, emissions from sources not owned or controlled by the company but related to its activities);</p> <p>(2) Water consumption;</p> <p>(3) Waste: distinguishing between hazardous and non-hazardous waste by total weight. Non-manufacturing companies may not need to distinguish and only disclose the total weight of waste, with explanations on the statistical methods according to the industry characteristics.</p> <p>2. Describes policies for reducing greenhouse gas emissions, reducing water usage, or managing other waste, including but not limited to baseline data, reduction targets, promotion measures, and achievements.</p> <p>3. Describes the verification status (valid until the publication date of the annual report) and the scope of coverage for all information.</p>	
IV. Social issues (I) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	V		The company shall hold regular labor-management meetings as required by law and establish employee work rules and procedures.	There are no significant differences
(II) Does the company have reasonable employee benefit measures (including salaries, leave, and other benefits), and do business performance or results reflect on employee salaries?	V		<p>1. Describes the employee welfare measures, including but not limited to employee salaries, workplace diversity and equality (including but not limited to the proportion of female employees and senior executives), leave, various allowances, bonuses, and subsidies.</p> <p>2. Describes how business performance or results are reflected in employee salary policies and their implementation.</p>	There are no significant differences
(III) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	V		<p>The Company provides annual health checks for employees and regularly organizes health seminars to help employees understand their health status and acquire knowledge and methods for self-health management</p> <p>There was no fire occurring in the Company in the current year.</p>	There are no significant differences

(IV) Does the company provide its employees with career development and training sessions?	V		The Company provides education and training to all employees to develop their work skills and encourages them to continue their education.	There are no significant differences
(V) Do the company's products and services comply with relevant laws and international standards in relation to client health and safety, client privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?	V		The company has established clear consumer rights policies and consumer complaint procedures, and all client complaints are managed and tracked.	There are no significant differences
(VI) Does the company establish a supplier management policy that requires suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor rights, and reports on their implementation? ?	V		The Company has a supplier evaluation system in the ISO-9001 system, and the impact on environment, safety, and society is also one of the evaluation items. The Company requires all suppliers to comply with corporate social responsibility and incorporates them into the supplier evaluation scope. Suppliers who fail the evaluation are considered unqualified.	There are no significant differences
V. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non- financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third party verification unit?	V		The company has prepared non- financial disclosure reports, such as sustainability reports, by referring to internationally recognized reporting standards or guidelines and obtained the confirmation of third-party verification units.	There are no significant differences
VI. Where a listed or OTC company has adopted its own sustainability development best practice principles pursuant to the "Listed and OTC Companies Sustainability Development Best Practice Principles," please describe any deviations between actual operations and the adopted principles: The Company has adopted its own "Sustainability Development Best Practice Principles" and is progressively implementing the relevant requirements.				
VII. Other important information that contributes to understanding the implementation of sustainable development: Our company has established the "Sustainable Development Best Practice Principles" and we actively engage in related social responsibility activities and encourage employees to participate as a way to give back to society.				

Climate-related Implementation

Items	Implementation
<p>1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.</p>	<ul style="list-style-type: none"> • The Board of Directors has been paying attention to climate change issues for a long time, and may take climate change issues into account if major investments are made. • The management continues to pay attention to the impact of climate change, and strengthens the promotion of energy and water conservation to employees.
<p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finance of the Company (short-, medium-, and long-term).</p>	<ul style="list-style-type: none"> • Short-term risks include the Company's lack of relevant talent to cope with extreme climate and sustainable development and incapability to respond in time to the existing policies and regulations, such as domestic and foreign greenhouse gas reduction requirements, carbon tax and related laws and regulations, and customers' changes in their supplier selection criteria. All these factors may result in higher operating costs and administrative expenses for the Company. • Medium-term risks include the uncertainty of future regulations and policies, mandatory regulations for products and services, replacement by other suppliers of lower-carbon products and services, and rising costs of raw materials. • Long-term risks include difficulties and unstable supply in fish farming due to extreme climate, costs significantly increasing due to the net zero carbon emission requirements of renewable energy regulations, and an ESG rating affecting the willingness of investors or banks to invest and making it more difficult for the Company to raise funds.
<p>3. Describe the financial impact of extreme climate events and transition actions.</p>	<p>Extreme weather can make it difficult for wild or farmed fish to grow, causing the catch to be unstable or even reduced. This will increase the cost of purchase, the Company's air-conditioning cost, and the frequency and cost of equipment maintenance, and reduce the Company's productivity due to flooding or frequent typhoons.</p> <p>Transition actions include the development of diversified suppliers. Maintaining supplier relations will increase costs, and the replacement of old equipment will increase the Company's capital expenditures. However, a successful transition will bring long-term profits and sustainable development for the Company.</p>
<p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p>	<p>Climate change is one of the inevitable issues for Taiwan Wax Company. In the future, the Board of Directors will establish a unit to be responsible for the identification of climate risks in accordance with the TCFD framework and the management and promotion of relevant countermeasures.</p>

5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be described.	Taiwan Wax Company has not yet evaluated its resilience to climate change risks through scenario analysis.
6. If there is a transition plan in place to manage climate-related risks, specify the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	The Company's transition actions include the development of diversified suppliers and the replacement of old equipment. However, the specific contents of the above-mentioned plan, and the indicators and targets used to identify and manage physical risks and transition risks are still under planning.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	Taiwan Wax Company has not yet used internal carbon pricing as a planning tool.
8. If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planned schedule, and the progress of each year shall be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve the targets, the source and quantity of the carbon offsets or the quantity of the RECs shall be described.	Taiwan Waxing Company has not set climate-related targets.
9. Greenhouse gas inventory and assurance	Disclosed in the table below

Basic information of the Company	Required disclosures under the
Sustainable Development Roadmap	
<input type="checkbox"/> Companies with capital of more than NT\$10 billion, iron and steel	<input checked="" type="checkbox"/> Parent company only inventory <input type="checkbox"/> Subsidiaries in the consolidated financial statements
<input type="checkbox"/> Companies with capital of more than NT\$5 billion and less than NT\$10 billion	<input type="checkbox"/> Parent company only assurance <input type="checkbox"/> Subsidiaries in the consolidated financial statements
<input checked="" type="checkbox"/> Companies with capital of less than NT\$5 billion	

Scope 1	Total emissions (metric tons CO2e)	Intensity (tons 002e/NTD thousand)	Assurance institution	Description of assurance
Parent company	34.7808	0.00069	None	None
Subsidiaries				
Total	34.7808	0.00069		
Scope 2	Total emissions (metric tons CO2e)	Intensity (tons CO2e/NTD thousand)	Assurance institution	Description of assurance
Parent company	48.3503	0.00096	None	None
Subsidiaries				
Total	48.3503	0.00096		

VI. Fulfillment of Ethical Corporate Management and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Y	No	Summary	
<p>I. Establishment of ethical corporate management policies and programs</p> <p>(I) Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?</p> <p>(II) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?</p>	V		<p>(I) The Company has not yet established a policy or system for ethical operation, but the Company strictly requires internal management (management level) to maintain integrity and comply with the law, cares for and empathizes with employees, and maintains relationships with external parties, vendors, and clients based on the principles of transparency, fairness, and integrity to ensure trustworthy operations, and urges subsidiaries to make every effort to implement the same.</p> <p>(II) The Company strengthens employee integrity through their values and core functions and deeply instills the core concepts of employee work rules in their hearts. The Company also represents employees in fulfilling their work duties in accordance with these rules to prevent dishonest behavior.</p>	There are no significant differences

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Y	No	Summary	
(III) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?			(III) The Company regularly holds corporate ethics education and training sessions for directors, supervisors, and employees to comply with relevant laws and regulations, including the Securities and Exchange Act, Company Act, Commercial Accounting Act, or other regulations related to commercial activities, as well as the Company’s internal regulations and procedures, and to perform their duties honestly.	
II. Fulfill operations integrity policy				
(I) Does the company evaluate business partners’ ethical records and include ethics- related clauses in business contracts?	V		(I) The Company has established employee work rules that promote a culture of integrity, influence the client’s business philosophy, and exceed the service quality outlined in the contractual agreement. The Company takes responsibility for conducting transactions with clients based on the principle of good faith. The Company also avoids conducting transactions with individuals or entities with a history of dishonest behavior and includes provisions in business contracts that require both parties to engage in transactions based on the principle of good faith.	There are no significant differences
(II) Does the company have a unit responsible for ethical corporate management on a full-time (part-time) basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?	V		(II) The Company’s specific measures to ensure honest business practices include clearly defining job responsibilities, enhancing employee evaluations, regularly conducting audits of major operations and projects through an audit unit, and requiring management to present operational reports to the Board of Directors.	

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Y	No	Summary	
(III) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	V		(III) The Company’s independent directors regularly review audit reports to understand situations of conflicting interests and maintain communication channels with stakeholders.	
(IV) Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?	V		(IV) The Company’s internal audit personnel are responsible for regularly and irregularly conducting audits of the Company’s operating results. The audit reports are submitted to the chairman, general manager, and independent directors, and the Company’s management must improve operational management deficiencies.	
(V) Does the company regularly hold internal and external educational trainings on operational integrity?	V		(V) The Company’s management periodically participates in external training courses on ethical business practices and social responsibility. The Company also periodically provides employee education and training on the principles of ethical business practices.	
III. Operational status of the Company’s whistle blower system				
(I) Has the Company established a specific whistleblowing and reward system, established convenient whistleblowing channels, and assigned appropriate dedicated personnel to handle reported matters?	V		(I) The company has established the “Procedures for Whistleblowing System” and established a whistleblowing channel.	There are no significant differences
(II) Has the Company established investigation standard operating procedures for handling reported matters, including follow-up actions to be taken after the investigation is completed, and related confidentiality mechanisms?	V		(II) Relevant operating procedures and confidentiality mechanisms are outlined in the “Procedures for Whistleblowing System.”	

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Y	No	Summary	
(III) Does the Company take measures to protect whistleblowers from being subject to improper treatment?	V		(III) The safety of the whistleblower shall be protected. If the whistleblower is an employee of the Company, the Company promises that the whistleblower will not be subjected to improper treatment. The personnel responsible for handling whistleblower cases must strictly maintain the confidentiality of the whistleblower’s identity and the content of the whistleblowing matter.	
IV. Strengthening information disclosure (I) Does the company disclose its ethical corporate management policies and the results of its implementation on the company’s website and MOPS?	V		The Company has a website, which discloses information on corporate culture, business policies, and other related information. The information and shareholder department is responsible for collecting and publishing all information related to the company.	There are no significant differences
V. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation: Due to the size and cultural characteristics of the company, no dedicated unit is established to promote integrity management. However, relevant units of the company regularly report to the board of directors, which is sufficient to effectively implement integrity management in the company.				
VI. Other important information that can help understand the operation of the company’s integrity management (such as the company’s review and revision of its code of conduct for integrity management): The company has established a reputation for integrity management with its business partners, and will invite them to participate in education and training and review related operational methods in the future.				

VII. Other important information that can enhance understanding of the company’s governance practices may also be disclosed:

The company has established the “Insider Trading Prevention Operation Procedures” and publicly announced its implementation after being approved by the board of directors. The procedures define major news and related management measures for employees, executives, and directors to follow, in order to avoid insider trading violations. The investor relations section on the company’s website provides information on significant news, dividends and stock prices, shareholder meetings and annual reports, and financial reports.

- (1) Newly appointed directors, executives, and other internal personnel of the company are distributed with the latest version of the “Over-the-Counter and Emerging Stock Company Insider Equity-related and Precautionary Matters” compiled by the Taiwan Stock Exchange at the time of taking office, for internal personnel to comply with.
- (2) Market Observation Post System: <http://mops.twse.com.tw/mops/web/index>
- (3) Company website: <http://wax.com.tw>

VIII. Implementation of the Internal Control System:

(I) Internal Control Statement

Taiwan Wax Company Ltd.
Internal Control System Statement

Date: March 10, 2026

We hereby declare that our internal control system for the fiscal year 2025 of the Company, based on the results of self-assessment, is as follows:

- I. The Company is aware that the establishment, implementation, and maintenance of the internal control system are the responsibilities of the Board of Directors and management. The Company has established such a system to achieve the objectives of improving operational effectiveness and efficiency (including profitability, performance, and asset security), ensuring the reliability of financial reporting, and complying with relevant laws and regulations.
- II. The internal control system has inherent limitations, and even if it is designed perfectly, it can only provide reasonable assurance for the achievement of the above three objectives. Moreover, the effectiveness of the internal control system may change due to changes in the environment and circumstances. However, the company's internal control system has a self-supervision mechanism, and corrective actions will be taken once any deficiencies are identified.
- III. The company evaluates the effectiveness of its internal control system based on the judging criteria stipulated in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The judging criteria used in the "Regulations" divide the internal control system into five components based on the process of management control: 1. Control environment, 2. Risk assessment and response, 3. Control activities, 4. Information and communication, and 5. Monitoring. Each component also includes several items. Please refer to the "Regulations" for details.
- IV. The company has used the above judging criteria to check the effectiveness of its internal control system's design and execution.
- V. Based on the results of the above check, the company believes that its internal control system (including the supervision and management of its subsidiaries) for December 31, 2024, is effective in terms of its design and execution related to achieving the objectives of knowing the effectiveness and efficiency of operations, ensuring the reliability of financial reporting, and complying with relevant laws and regulations.
- VI. This statement will be the main content of our annual report and public disclosure, and will be made public. If any false or hidden information is found in the public disclosure, it may involve legal responsibilities under Article 20, Article 32, Article 171, and Article 174 of the Securities and Exchange Act.
- VII. This statement was approved by the board of directors of the company on March 10, 2026. of the 7 directors present, none objected, and all agreed to the contents of this statement.

Taiwan Wax Company Ltd.

Chairman: Ting-Jui Chen (Signature)

General Manager: Ting-Jui Chen (Signature)

IX. Important resolutions of the shareholders' meeting and Board of Directors until the date of printing of this annual report:

(I) Review of important resolutions and implementation of the shareholders' meeting:

Date	Important resolutions	Implementation Review
2025.06.03	<p>I. Approval of the 2024 annual business report and financial statements.</p> <p>II. Approval of the 2024 profit distribution plan.</p> <p>III. Approval of the amendments to certain articles of the Company's Articles of Incorporation.</p> <p>IV. Approval of the re-election of all directors.</p> <p>V. Approval of the Company's proposed private placement of securities.</p> <p>VI. Approval of the disposal of the Company's real property.</p> <p>VII. Approval of the lifting of non-compete restrictions on newly elected directors.</p>	All resolutions of the shareholders' meeting have been executed.

(II) Important resolutions of the board of directors:

Date	Important resolutions
2025.03.13	<p>I. Adoption of the Company's 2024 Business Report and Consolidated and Parent Company Only Financial Statements.</p> <p>II. Approved the assessment of the signing auditors' competence and independence.</p> <p>III. Approval of the review of the Company's Auditors' remuneration for 2025.</p> <p>IV. Adoption of the Company's 2024 Internal Control System Statement.</p> <p>V. Approval of the provision of guarantees for external financing obtained by the Company's wholly owned subsidiary, Guanda Green Energy Co., Ltd.</p> <p>VI. Approval of the Company's 2024 earnings distribution.</p> <p>VII. Approval of the distribution of employees' compensation and directors' remuneration.</p> <p>VIII. Approve the Company's Application for a Bank Credit Line due to Business Needs.</p> <p>IX. Approved the establishment of a capital reduction record date for the cancellation of treasury shares repurchased under the Company's second repurchase program.</p> <p>X. Approval of the amendments to certain articles of the Company's Articles of Incorporation.</p> <p>XI. Approval of the Company's proposed private placement of securities.</p> <p>XII. Approval of the disposal of the Company's real property.</p> <p>XIII. Approve the Setting of the Date, Time, Location, and Other Related Matters of the 2025 Annual Shareholders Meeting of the Company.</p> <p>XIV. Approval of the handling of shareholder proposals submitted by shareholders holding 1% or more of the total issued shares.</p> <p>XV. Approval of the election of 9 directors (including 3 independent directors) for the 16th term of the board of directors.</p> <p>XVI. Approval of the handling of nominations of director (including independent director) candidates submitted by shareholders holding 1% or more of the Company's issued shares.</p>

Date	Important resolutions
	XVII. Approval of the lifting of non-compete restrictions on newly elected directors.
2025.04.21	<ul style="list-style-type: none"> I. Approval of the Company’s consolidated financial report for Q1 2025. II. Approved the engagement of Benison Associated CPAs’ Firm for non-assurance services. III. Approval of the cancellation of the unissued portion of the private placement of securities approved at the Company’s Annual Shareholders’ Meeting on June 18, 2024, due to the impending expiration of the issuance period. IV. Approval of the Company’s application for bank credit facilities for business needs and for derivatives trading limits for hedging purposes. V. Approval of the Company’s application for public issuance following a private placement of shares and for OTC listing. I. Approved the change of the Company’s registered business address. II. Approved supplementary explanation regarding the private placement issuance resolved by the Board of Directors on March 13, 2025. III. Approval of the nomination of director (including independent director) candidates for election in 2025.
2025.06.06	<ul style="list-style-type: none"> I. Approval of the appointment of members of the Company’s Remuneration Committee. II. Approved the change of the Company’s registered seal with the Ministry of Economic Affairs. III. Approved changes to the Company’s corporate governance officer position.
2025.08.07	<ul style="list-style-type: none"> I. Approval of the Company’s consolidated financial report for Q2 2025. II. Approve the Company’s Application for a Bank Credit Line due to Business Needs. III. Approval of the determination that accounts receivable meeting specified criteria and other receivables are not deemed loans to others. IV. Approval of the extension of a loan by the Company’s wholly owned subsidiary, Guanda Green Energy Co., Ltd., to the Company. V. Approval of the sustainability report for the fiscal year 2024. VI. Approved the transportation allowance for the Company’s Chief Executive Officer. VII. Approved the severance payment for the Company’s managerial officers. VIII. Approved the establishment of the definition and scope of “rank-and-file employees” of the Company.
2025.11.04	<ul style="list-style-type: none"> I. Approval of the Company’s consolidated financial report for Q3 2025. II. Approval of the operating budget for the fiscal year 2026. III. Approval of the audit plan for the fiscal year 2026. IV. Approve the Company’s Application for a Bank Credit Line due to Business Needs. V. Approved amendments to the Company’s other management control systems — “Payroll Cycle — Recruitment Procedures” and the audit detail schedule. VI. Approved the formulation of the “Procedures for Assisting Employees Involved in Litigation Arising from Their Duties.” VII. Approved the application for supplementary public offering and OTC listing in connection with the private placement of ordinary shares. VIII. Approved the change of the Company’s registered location.

Date	Important resolutions
2025.12.24	<ul style="list-style-type: none"> I. Approval of the determination that accounts receivable meeting specified criteria and other receivables are not deemed loans to others. II. Approved the extension of accounts receivable for the subsidiary Jinghai Aquatic Products (Shanghai) Co., Ltd. III. Approved the compensation adjustment for the CFO. IV. Approved the compensation adjustment for the Vice President. V. Approved the distribution of the 2025 annual performance bonus for the Company's Finance Manager.
2026.01.08	<ul style="list-style-type: none"> I. Approved the election of the Company's Chairperson.
2026.03.10	<ul style="list-style-type: none"> I. Adoption of the Company's 2025 Business Report and Consolidated and Parent Company Only Financial Statements. II. Adoption of the Company's 2025 Internal Control System Statement. III. Approval of the Company's application for bank credit facilities for business needs. IV. Approved amendments to the Company's "Articles of Incorporation" and "Authorization and Approval Authority Table." V. Approval of the determination that accounts receivable meeting specified criteria and other receivables are not deemed loans to others. VI. Approval of the Company's 2025 deficit compensation. VII. Approval of the distribution of employees' compensation and directors' remuneration. VIII. Approval of the provision of guarantees for external financing obtained by the Company's wholly owned subsidiary, Guanda Green Energy Co., Ltd. IX. Approval of the cancellation of the unissued portion of the private placement of securities approved at the Company's Annual Shareholders' Meeting on June 3, 2025, due to the impending expiration of the issuance period. X. Approval of the appointment of members of the Company's Remuneration Committee. XI. Approved the concurrent appointment of the Company's Chairperson as President. XII. Approved the appointment of the Company's new Vice President of Business Development. XIII. Approved the promotion to Vice President of the Company's spokesperson, financial and accounting officer, and corporate governance officer. XIV. Approval of the scheduling of the Company's 2026 Annual Shareholders' Meeting, including the Date, Time, Location, and Other Related Matters. XV. Approval of the re-election of the 17th-term directors. XVI. Approval of the handling of shareholder proposals submitted by shareholders holding 1% or more of the total issued shares. XVII. Approval of the handling of nominations of director (including independent director) candidates submitted by shareholders holding 1% or more of the Company's issued shares. XVIII. Approval of the lifting of non-compete restrictions on newly elected directors.
2026.03.31	<ul style="list-style-type: none"> I. Approved the change of accounting firm and signing auditors for the Company commencing from the first quarter of 2026. II. Approved the assessment of the Company's signing auditors' competence and independence.

Date	Important resolutions
	III. Approved the formulation of the Company's "Employee Stock Option Procedures."

X. Record of Dissenting Opinions by Directors or Supervisors Regarding Important Resolutions Passed by the Board of Directors in the Most Recent Fiscal Year and up to the Date of Publication of the Annual Report: None.

Four. Information on Audit Fee

I. Audit Fee Unit:

Unit: NT\$ thousand

Accounting Firm	Name of CPA		Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total	Remarks
Benison Associated CPAs' Firm	Yi-Chih Chiu	Yu-Yg Lin	2025	1,450	0	1,450	

II. In case of a change of accounting firm with a decrease in audit fees paid in the current fiscal year compared to the previous fiscal year, the amount and percentage of the decrease in audit fees, as well as the reasons for such decrease, shall be disclosed: No change of accounting firm occurred.

III. If the decrease in audit fees is greater than 10% compared to the previous fiscal year, the amount and percentage of the decrease in audit fees, as well as the reasons for such decrease, shall be disclosed: Less than 10 percent.

Five. Change of Auditors: The Company changed its accounting firm and signing auditors commencing from the first quarter of 2026.

Six. The Chairman, General Manager, and the manager responsible for finance or accounting have been employed in the accounting firm or its related enterprises during the past year: None

Seven. Holding or Disposal of the Company's Share by Subsidiaries of the Company in the Most Recent Fiscal Year and Up to the Publication Date of the Annual Report

I. Changes in Shareholding of Directors, Managers, and Major Shareholders

Unit: Shares

Title	Name	2025		As of March 27, 2026	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman	Yuan Jin Co., Ltd.	22,000	0	0	0
	Representative: Ting-Jui Chen	0	0	0	0
Director	Yuan Jin Co., Ltd.	22,000	0	0	0
	Representative: Kathrynina Palma	0	0	0	0
Director	Yuan Jin Co., Ltd.	22,000	0	0	0
	Representative: Yen-Yi Kuo	0	0	0	0
Director	Yuan Jin Co., Ltd.	22,000	0	0	0
	Representative: Po-Yao Tseng	0	0	0	0
Director	Jia-An Lin	(600,000)	0	0	0
Independent Director	Yu-Fan Ku	0	0	0	0
Independent Director	Yi-Chiao Yang	0	0	0	0
CFO	Po-Yao Tseng	0	0	0	0

II. Information on equity transfer: The relative persons of directors, supervisors, managers, and major shareholders who have changed their equity holdings are not related parties, so this does not apply.

III. Information on equity pledge: The relative persons of directors, supervisors, managers, and major shareholders who have pledged their equity holdings are not related parties, so this does not apply.

Eight. Information on the shareholding proportions among the top ten shareholders, who are related parties or relatives within the second degree of kinship, and their relationships with each other:

Relationship among the Top Ten Shareholders

Name	Personal Shareholding		Spouse & Minor Shareholding		Aggregate Shareholding through Nominee Arrangements		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degree		Remarks
	Number of shares	%	Number of shares	%	Number of shares	%	Title (Name)	Relationships	
New Golden Dragon Wealth Co., Ltd.	33,149,437	35.77	0	0	0	0	None	None	
Yuan Jin Co., Ltd.	14,621,719	15.78	0	0	0	0	None	None	
Chih-Lung Lin	7,697,703	8.31	0	0	0	0	None	None	
Je-Yin Lin	2,547,641	2.75	0	0	0	0	None	None	
Hsin-Yi Peng	1,521,000	1.64	0	0	0	0	None	None	
Wen-Cheng Chuang	1,518,085	1.64	0	0	0	0	None	None	
Wei Li	1,383,715	1.49	0	0	0	0	None	None	
Chun-Wei Li	1,307,000	1.41	0	0	0	0	None	None	
Hung-Yung Lo	1,204,405	1.30	0	0	0	0	None	None	
Zong-Yuan Huang	1,101,649	1.19	0	0	0	0	None	None	

Nine. Ownership of Shares in Affiliated Enterprise

March 27, 2026

Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managers		Total Ownership	
	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio
TAI WAX HOLDING Co., Ltd	3,730,000	100%	0	0%	3,730,000	100%
TAI WAX(THAILAND) Co., Ltd	60,000	100%	0	0%	60,000	100%
Guanda Green Energy Co., Ltd.		100%		0%		100%
Gong Che Yan Fresh Seafood Co., Ltd.		100%		0%		100%
Jinghai Aquatic Products (Shanghai) Co., Ltd.		100%		0%		100%

This pertains to an equity method investment adopted by the company.

Capital Overview

One. Capital and Shares

I. Source of Capital

Month/ Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		Number of shares	Amount (NT\$ thousand)	Number of shares	Amount (NT\$ thousand)	Source of Capital (NT\$ thousand)	Capital Increased by Assets Other than Cash	Others
1999.05	NTD10	500,000	5,000	500,000	5,000	Capital reduction of NT\$341,778 thousand	None	Note 1
1999.05	NTD10	19,900,000	199,000	19,900,000	199,000	Cash capital increase of NT\$194,000 thousand	None	Note 2
2005.06	NTD10	23,767,910	237,679	23,767,910	237,679	Capitalization of retained earnings of NT\$ 38,679 thousand	None	Note 3
2006.06	NTD10	26,279,062	262,791	26,279,062	262,791	Capitalization of retained earnings of NT\$ 25,112 thousand	None	Note 4
2007.06	NTD10	30,416,673	304,167	30,416,673	304,167	Capitalization of retained earnings of NT\$ 41,376 thousand	None	Note 5
2008.06	NTD10	33,692,982	336,930	33,692,982	336,930	Capitalization of retained earnings of NT\$ 32,763 thousand	None	Note 6
2009.06	NTD10	50,000,000	500,000	40,431,578	404,316	Capitalization of retained earnings of NT\$ 67,386 thousand	None	Note 7
2010.06	NTD10	200,000,000	2,000,000	50,539,472	505,395	Capitalization of retained earnings of NT\$ 101,079 thousand	None	Note 8
2011.06	NTD10	200,000,000	2,000,000	64,690,524	646,905	Capitalization of retained earnings of NT\$ 141,510 thousand	None	Note 9
2016.10	NTD10	200,000,000	2,000,000	72,240,524	722,405	Private placement for cash capital increase of NT\$75,500 thousand	None	Note 10
2018.01	NTD10	200,000,000	2,000,000	46,300,000	463,000	Capital reduction of NT\$259,405 thousand	None	Note 11
2018.05	NTD10	200,000,000	2,000,000	55,050,000	550,500	Private placement for cash capital increase of NT\$87,500 thousand	None	Note 12

2019.09	NTD10	200,000,000	2,000,000	71,550,000	715,500	Private placement for cash capital increase of NT\$165,000 thousand	None	Note 13
2021.11	NTD10	200,000,000	2,000,000	81,550,000	815,500	Private placement for cash capital increase of NT\$100,000 thousand	None	Note 14
2022.11	NTD10	200,000,000	2,000,000	93,559,300	935,593	Capitalization of retained earnings NT\$120,093 thousand	None	Note 15
2025.05	NTD10	200,000,000	2,000,000	92,671,300	926,713	Cancellation of treasury shares NT\$8,880	None	Note 16

Note 1: Approved by the Securities and Futures Commission, Ministry of Finance, under Letter No. (88) Tai-Cai-Zheng (I) No. 39038 dated May 5, 1999.

Note 2: Approved by the Securities and Futures Commission, Ministry of Finance, under Letter No. (88) Tai-Cai-Zheng (I) No. 39037 dated May 5, 1999.

Note 3: Approved by the Financial Supervisory Commission, Executive Yuan, under Letter No. Jin-Guan-Zheng-Yi-Zi No. 0940132637 dated August 10, 2005.

Note 4: Approved by the Financial Supervisory Commission, Executive Yuan, under Letter No. Jin-Guan-Zheng-Yi-Zi No. 0950134013 dated August 2, 2006.

Note 5: Approved by the Financial Supervisory Commission, Executive Yuan, under Letter No. Jin-Guan-Zheng-Yi-Zi No. 0960041740 dated August 7, 2007.

Note 6: Approved by the Financial Supervisory Commission, Executive Yuan, under Letter No. Jin-Guan-Zheng-Yi-Zi No. 0970041404 dated August 14, 2008.

Note 7: Approved by the Financial Supervisory Commission, Executive Yuan, under Letter No. Jin-Guan-Zheng-Fa-Zi No. 0980045492 dated September 8, 2009.

Note 8: Approved by the Financial Supervisory Commission, Executive Yuan, under Letter No. Jin-Guan-Zheng-Fa-Zi No. 0990039877 dated July 30, 2010.

Note 9: Approved by the Financial Supervisory Commission, Executive Yuan, under Letter No. Jin-Guan-Zheng-Fa-Zi No. 1000031952 dated July 11, 2011.

Note 10: Approved by the Financial Supervisory Commission, Executive Yuan, under Letter No. Jin-Guan-Zheng-Fa-Zi No. 10501250200 dated October 27, 2016.

Note 11: Approved by the Financial Supervisory Commission, Executive Yuan, under Letter No. Jin-Guan-Zheng-Fa-Zi No. 1060047030 dated December 12, 2017.

Note 12: Approved by the Financial Supervisory Commission, Executive Yuan, under Letter No. Jin-Guan-Zheng-Fa-Zi No. 10701098960 dated August 6, 2018.

Note 13: Approved by the Financial Supervisory Commission, Executive Yuan, under Letter No. Jin-Guan-Zheng-Fa-Zi No. 10801122720 dated September 9, 2019.

Note 14: Approved by the Financial Supervisory Commission, Executive Yuan, under Letter No. Jin-Guan-Zheng-Fa-Zi No. 11001194430 dated November 1, 2021.

Note 15: Approved by the Financial Supervisory Commission, Executive Yuan, under Letter No. Jin-Guan-Zheng-Fa-Zi No. 11101206530 dated November 4, 2022.

Note 16: Approved by the Financial Supervisory Commission, Executive Yuan, under Letter No. Jin-Guan-Zheng-Fa-Zi No. 11430061620 dated May 16, 2025.

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total	
Common shares	92,671,300	107,328,700	200,000,000	TPEX
Total	92,671,300	107,328,700	200,000,000	

Shelf Registration statement related information: None.

II. List of Major Shareholders

List all shareholders with a stake of 5 percent or greater and also list all shareholders who rank in the top 10 in shareholding percentage and specify the number of shares and stake held by each shareholder on the list:

March 27, 2026

Name of Major Shareholders	Number of Shares Held	Shareholding Ratio
New Golden Dragon Wealth Co., Ltd.	33,149,437	35.77
Yuan Jin Co., Ltd.	14,621,719	15.78
Chih-Lung Lin	7,697,703	8.31
Je-Yin Lin	2,547,641	2.75
Hsin-Yi Peng	1,521,000	1.64
Wen-Cheng Chuang	1,518,085	1.64
Wei Li	1,383,715	1.49
Chun-Wei Li	1,307,000	1.41
Hung-Yung Lo	1,204,405	1.30
Zong-Yuan Huang	1,101,649	1.19

III. Dividend Policy and Implementation Status

(1) Dividend Policy:

Taking into account the industry environment and the growth stage of the company, and in response to future funding needs and long-term financial planning, the dividend payout ratio of the proposed earnings distribution plan for shareholders is based on a minimum of one percent of the total shareholder dividends for the current year. However, in the event that the company has significant investment projects, major operational changes, capacity expansions, or other major capital expenditures, and funding is difficult to obtain externally, or if the cash dividend per share is less than 0.1 yuan, all dividends will be distributed in the form of stock dividends.

(2) Proposed Distribution of Dividend:

On March 10, 2026, the Board of Directors of the Company proposed to withhold the distribution of dividends for the fiscal year 2025 and submitted it to the shareholders' meeting for approval.

IV. The effect of the proposed free-gratis stock allotment at the shareholders' meeting on the Company's operating results and earnings per share: Financial forecast information is not applicable as the company has not disclosed it.

V. Remuneration of Employees, Directors and Supervisor:

(I) Information Relating to Compensation of Employees, Directors and Supervisors in the Articles of Incorporation:

The company proposes to allocate a total amount of remuneration by deducting the pre-tax net profit before the distribution of employee and director/supervisor remuneration for the year, and distribute as follows:

- (1) Director and supervisor remuneration shall be set at no more than 3%.
- (2) Employee remuneration shall be set within a range of no less than 1%.

(II) The accounting treatment for any differences between the estimated amount of employee, director, and supervisor remuneration for the current period, the calculation basis for stock-based employee remuneration, and the actual distribution amount shall be determined:

- (1) 1% of the pre-tax profit is estimated as employee compensation and 2% is estimated as director remuneration for this period.
- (2) If there are still changes in the amounts after the release of the annual consolidated financial statements, they will be processed based on accounting estimates and adjusted in the next fiscal year.

(III) Approval of remuneration distribution by the board of directors:

The Board of Directors resolved on March 10, 2026 not to distribute employee compensation or director compensation.

(IV) Actual distribution of remuneration to employees, directors, and supervisors in the previous year (including the number of shares, amount, and share price), any differences between actual distribution and recognition of remuneration should be explained, along with the reasons and handling.

Employee cash compensation of NT\$844,042 and director compensation of NT\$844,042 for 2024 are consistent with the amounts estimated and recorded in the 2024 financial statements, with no variance.

VI. Buy-back of Treasury Stock:

Buyback times	Second
Purpose of buyback	Transfer of shares to employees
Buyback period	March 14 ~ May 13, 2020
Buyback interval price	NT\$ 12.92~25.93
Types and quantities of buybackd shares	1,488,000 common shares
Amount of buybackd shares	NT\$ 28,093,950
Percentage of buybackd shares to the planned buyback quantity (%)	49.60%
Number of Shares Bought back and transferred	400,000 shares were transferred to employees on September 8, 2022 200,000 shares were transferred to employees on September 26, 2022
Cumulative number of shares held in the Company	888,000 shares
Percentage of Total Issued Shares Accumulatedly Held (%)	0.95%

Note: Cancelled.

Two. Issuance of corporate bonds, preferred stocks, overseas depositary receipts, employee stock options, restricted employee stock grants, and issuance of new shares for mergers, acquisitions, or equity transfers of other companies: None.

Three. Financing Plans and Implementatin

I. Finance plans:

For each uncompleted public issue or private placement of securities, and for such issues and placements that were completed in the most recent three years but have not yet fully yielded the planned benefits: None.

II. Implementation status: Not applicable.

Operation Highlights

One. Business Activities

I. Business Scope

- (1) The major business operations of the Company are as follows:
- A. Manufacturing, trading, and import/export of various types of soft waxes, hard waxes, petrolatum raw materials, and finished products.
 - B. Development, manufacturing, trading, and import/export of various types of formula waxes and special chemicals for wax production.
 - C. Acting as an agent for domestic and foreign manufacturers for product quotation, bidding, and distribution business.
 - D. Wholesale of seafood products.
 - E. Construction and sale of solar energy photovoltaic equipment.

(2) Business ratio of the Company's major products

Unit: NT\$ thousand

Main Products	Year	2025	
		Operating revenue	Percentage
Refined Paraffin Wax and Microcrystalline Wax		72,115	64.56
Aquatic products		11,887	10.64
Lease income		27,695	24.80
Photovoltaic equipment		-	-
Total		111,697	100.00

(3) Current Product(s) and Service(s):

- A. 125°F Refined Paraffin Wax: oil content below 1.5%
- B. 135°F Refined Paraffin Wax: oil content below 0.5%
- C. 140°F Refined Paraffin Wax: oil content below 0.5%
- D. 145°F Refined Paraffin Wax: oil content below 0.5%
- E. 156°F Refined Semi-microcrystalline Wax: oil content below 1.0%
- F. 160°F Refined Semi-microcrystalline Wax: oil content below 1.0%
- G. 180°F Refined Semi-microcrystalline Wax: oil content below 3.0%
- H. Wax for fishery paper boxes.
- I. Wine bottle sealing Wax (Seal Wax)
- J. PE Wax (Polyethylene Wax)
- K. Chloride Wax (Chloride Wax)
- L. Aquatic products: wholesale and retail of various aquatic products.
- M. Solar Energy: construction and sale of solar photovoltaic equipment.

II. Industry Overview:

(I) Wax Products:

(1) Industry Status and Development

Industry Status

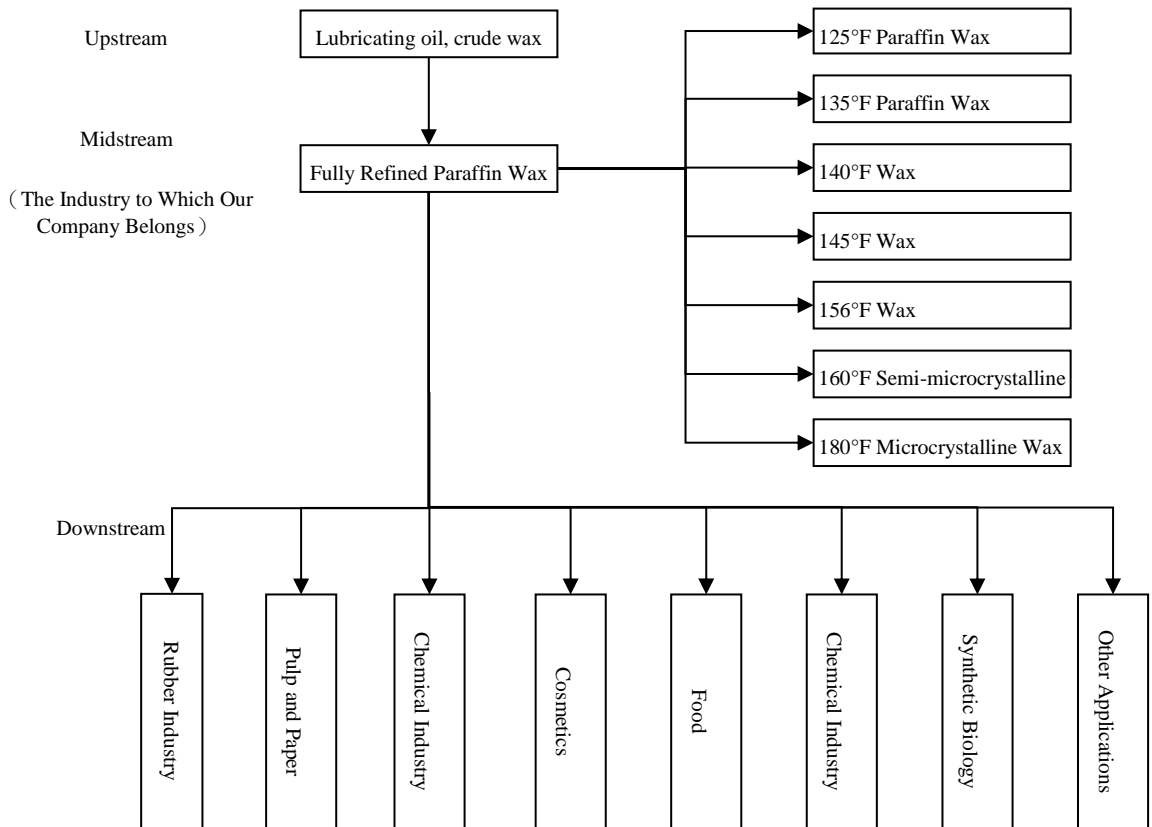
Petroleum wax can be used in a wide range of applications, including candles, moisture-proof coatings for cardboard boxes, crayons, additives for PVC, rubber, resin, and other materials, thickening agent for chewing gum, sealing agent for dry cell battery carbon rods, and insulation for high-end electronic products. Its application scope is quite extensive, and therefore its industry development is closely related to the needs of various industries, including papermaking, chemical, cosmetics, food, chemical synthesis, biotechnology, and other industrial applications.

The production of the US petroleum wax market has been declining in recent years, mainly due to the competition from low-cost wax from China, which has caused many wax plants in North America to close down and adopt an import strategy. In addition, in recent years, with the improvement of light oil cracking technology, new refining plants have abandoned the traditional solvent dewaxing process at the end, and instead use cracking or isomerization processes that can produce higher value-added products. Furthermore, in response to environmental factors, traditional markets have gradually decreased the demand for candles. Therefore, although the production of traditional wax has shown a decreasing trend over the years, it still presents a “supply exceeds demand” phenomenon, which has made the competition for the wax market increasingly fierce, leading to price declines and negative impacts on global wax manufacturers.

Based on our company’s sales experience in the domestic market in recent years, the domestic demand for wax is about 25,000 tons per year, and the market share of Chinese wax in the domestic market is about 30%, while our company’s market share is about 60%, and the remaining 10% is held by Japan’s precision wax due to exchange rate advantages.

Petroleum wax is the basic raw material for the wax industry. In addition to being used in combination with other animal and plant waxes, it can also replace some functions of these waxes, and its price is more competitive than other waxes. In the future, wax manufacturers will focus on reducing production costs and producing high value-added products that meet client needs in order to enhance the profitability of the wax industry. Therefore, the development of wax products in the future will be towards industrial and leisure and entertainment products.

(2) Relationship between the upstream, midstream, and downstream of the industry



- Upstream: The main raw material for fully refined petroleum wax is crude wax oil, which is a by-product of lubricant production.
- Midstream: Petroleum wax is refined from crude oil and can be divided into macrocrystalline and microcrystalline wax, commonly known as paraffin wax and microcrystalline wax. It can be further subdivided into petroleum grease, liquid wax, soft wax, macrocrystalline wax, semi- microcrystalline wax, microcrystalline wax, and special purpose wax. Various types of petroleum wax can be mixed and blended with each other to meet various physical function requirements based on their chemical properties. They can also react with several resins to produce different types of formulated wax to meet specific requirements.
- Downstream: Applications of paraffin wax and microcrystalline wax include:
 - ① Paper industry – immersion, coating, lamination, and glue application.
 - ② Chemical industry – polish wax, candles, and medicine.
 - ③ Cosmetics industry – solid fragrance, snowflake cream, general maintenance ointment, and beauty products.
 - ④ Food industry – plants, fruits, food, poultry, and tree seedling diseases.
 - ⑤ Biosynthesis – proteins, organic acids.
 - ⑥ Other applications – rubber, precision casting, refractory ceramics, electricity, flower arrangement, modeling, etc.

(3) Various product development trend

Since the global use of wax products is largely limited to the candle industry, accounting for about 60%; special industrial applications account for 35%; and other applications account for 5%, the overall unit price of wax products has limited room for growth. In Europe, the United States, Japan, and other countries, the high cost of labor makes it impossible to compete with China's low labor costs, leading many to close their factories and fill the domestic demand gap through imports. In addition, in response to the increasingly severe global warming, relevant policies for "energy conservation and carbon reduction" have been

formulated. This has resulted in a sharp decline in the demand for “candles,” placing wax companies in a harsher situation. In the future, wax manufacturers will focus on how to reduce production costs and introduce products that are both high- quality and affordable to meet client needs.

In addition, there is a trend of developing the following two types of wax products: high-margin industrial formula wax, high-priced leisure and entertainment candles, and wax for aesthetic medicine.

(4) Competitive situation

The main competitors of the company’s petroleum wax products are:

(A) Mainland China:

Because of the high content of paraffin wax in crude oil, it is easy to extract paraffin wax. Every year, China exports about 1 million tons of petroleum wax to the world, accounting for about 1/3 of the total global petroleum wax output. With its large production scale and low labor costs, China dominates the selling price of most wax products worldwide. In addition, wax refineries in Mainland China have recently adopted “hydrotreating” to reduce the oil content of paraffin wax (0.8%→0.5%) to improve the quality of paraffin wax to the world level, thereby eroding our existing market. Our company is the only petroleum wax producer in the country and faces no domestic competition. However, we face competition pressure from China due to their large-scale dumping of low-priced wax products. Our company has developed a set of production and marketing strategies to respond to this competition. We will continue to improve our production technology and product quality control to ensure that our product quality is superior to that of China. By gaining the trust of clients in terms of service quality and delivery time management, we will actively develop industrial formula wax, move towards diversification and high value-added products, and increase production scale to lower production costs. By doing so, our company can gradually get rid of the entanglement of cheap wax products from China through our quality advantages and product differentiation.

(B) Japanese refined wax:

A few domestic chemical industry clients originally used it due to its formula. However, due to the “devaluation of the Japanese yen” caused by Prime Minister Abe’s economic policy, domestic agents have more room for price reduction, thereby eroding our traditional wax candle market. However, this market has always been a “price market,” so our company not only responds by lowering the price of corresponding products (due to reduced production costs), but also produces our own products through “processing” imported low-priced products from China to compete with them in the traditional wax candle market. We have already achieved good results in this regard.

(II) Overview and Outlook of the Aquaculture Market:

As Chinese residents’ dietary consumption continues to upgrade and food becomes more refined, seafood, with its high protein and low-fat content, is becoming increasingly popular. It is estimated that by 2026, the total consumption of seafood products will reach 72.13 million tons, a 6.6% increase from the base period. By 2031, the total consumption is expected to reach 74.16 million tons, a 9.6% increase from the base period, with an average annual growth rate of 0.9%, which is faster than the production growth rate.

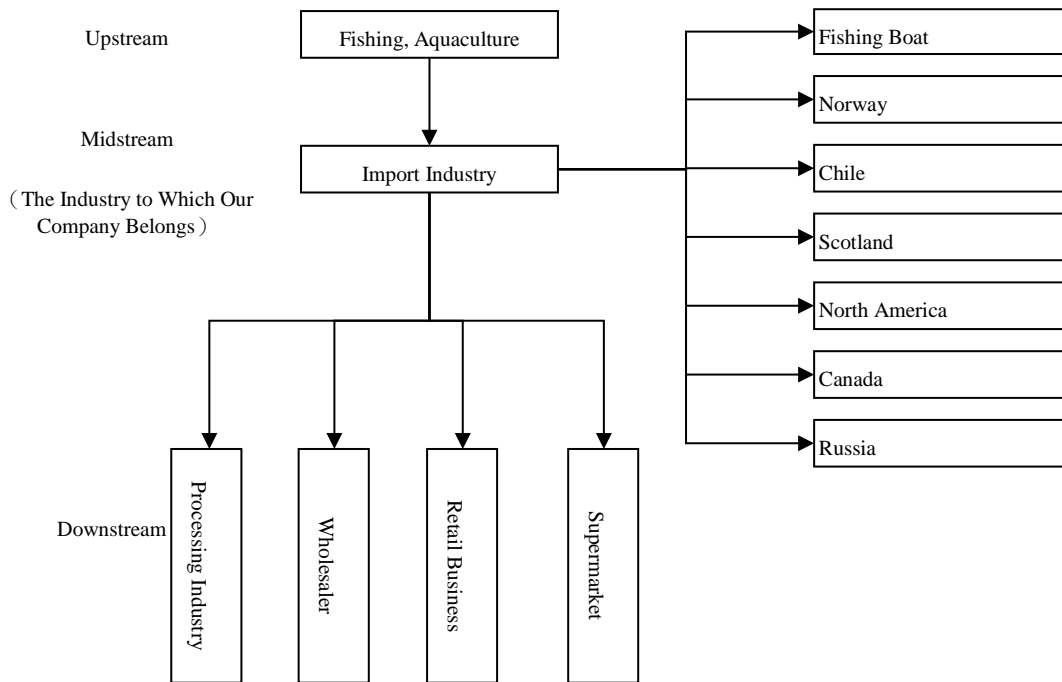
In terms of imports, fresh and chilled salmon is priced higher than frozen salmon, and Atlantic salmon is priced higher than corresponding prices for other fish species such as Coho salmon. China imports approximately 80,000 tons of salmon per year, with Atlantic salmon being the primary type. From 2015 to 2021, China's salmon imports showed a fluctuating trend, with a rapid increase in imports from 2016 to 2019, reaching a peak in 2019, and a compound annual growth rate of 31% from 2016 to 2019.

In 2020, due to the impact of the pandemic, consumption plummeted, and the discovery of COVID-19 on the chopping board of imported salmon in the Beijing market in June further exacerbated the situation. Although there was no scientific evidence linking salmon and virus transmission, the incident resulted in almost a complete halt to the import of fresh salmon for one or two months, with imports dropping to 40,600 tons, the first negative growth since 2015.

In 2021, with the gradual improvement of the pandemic situation, imports slightly rebounded, reaching 53,300 tons, a 31.23% year-on-year increase. As the global pandemic situation improved, the restaurant industry in Europe and the United States returned to normal in 2021, and demand for salmon products continued to rise, with prices beginning to rebound in the second half of the year. In the first half of 2022, the fluctuation of the pandemic situation directly affected restaurants and markets throughout China, but consumption still achieved growth year-on-year. At the same time, the international environment was complex and severe, with factors such as rising costs and reduced production on the supply side, causing the price of salmon to rise by 41.3%, the highest in nearly a decade.

Although operations in prior years were impacted by China's COVID-19 lockdown policies and supply chain disruptions caused by the Russia-Ukraine war — including global port congestion — the Company continued to procure fresh aquatic products from seafood markets for sale into China. Primary sourcing countries were in Europe, principally Norway, with chilled salmon constituting the majority of purchases. Total procurement volume for 2024 reached 5,151.70 metric tons. The Company remains optimistic about this market and committed to deepening its presence therein, with the expectation that China's economic activity will not be far from returning to pre-pandemic levels. Thorough preparation is essential so that the Company is positioned to pursue accelerated growth when the opportunity arises.

(2) Relationships between Upstream, Midstream, and Downstream in the Salmon Market:



- Upstream: Refers to the process of salmon production from scratch, such as catching or farming.
- Midstream: Refers to the process of salmon from producers to agents or importers, such as our company's industry.
- Downstream: Refers to the providers of salmon products, either directly (fresh salmon) or indirectly (processing industries such as sashimi or canned salmon).

(3) Development Trends of Salmon Products:

Salmon contains nutrients such as protein, Omega-3 fatty acids, calcium, iron, B vitamins, vitamin D, and vitamin E. Salmon is high in fat, with 55% monounsaturated fatty acids and essential fatty acids EPA and DHA, which have effects such as clearing blood, lowering cholesterol, preventing vision loss, activating brain cells, and preventing cardiovascular disease. In addition, vitamin B in salmon can eliminate fatigue, and vitamin D can help absorb calcium, making it a highly nutritious food.

As the global population continues to grow, the demand for food supply becomes increasingly strong, and protein is an essential source of nutrition for humans. Therefore, the ease of capturing fishery products, the ability to farm, and the richness of fish in protein will make human dependence on the fishing industry increasingly high. According to the United Nations Food and Agriculture Organization (FAO), the average fish product consumption per person per year worldwide will increase from 16.7 kilograms currently to 19-20 kilograms by 2030, showing the close relationship between the yield, development, and future demand for fishery products.

(4) Competitive landscape:

Mainland China accounts for about 5% of global salmon consumption, importing approximately 80,000 tons of salmon from Chile, Norway, Faroe Islands, Australia, and Canada annually. Mainland

China imports salmon mainly in two ways, fresh and frozen. Fresh salmon is transported by sea, while frozen salmon is transported by air. Norwegian salmon is transported to mainland China through fresh shipping, while frozen salmon in the mainland market mostly comes from Chile.

Our company mainly imports salmon from Norway, and although our company's imported Norwegian salmon has deep roots in the mainland Chinese market, after China joined the World Trade Organization (WTO), competitors such as Chile and Faroe Islands emerged, which inevitably affected our company's market share in mainland China and subsequently impacted our business revenue.

(III) Installation of Solar Photovoltaic System:

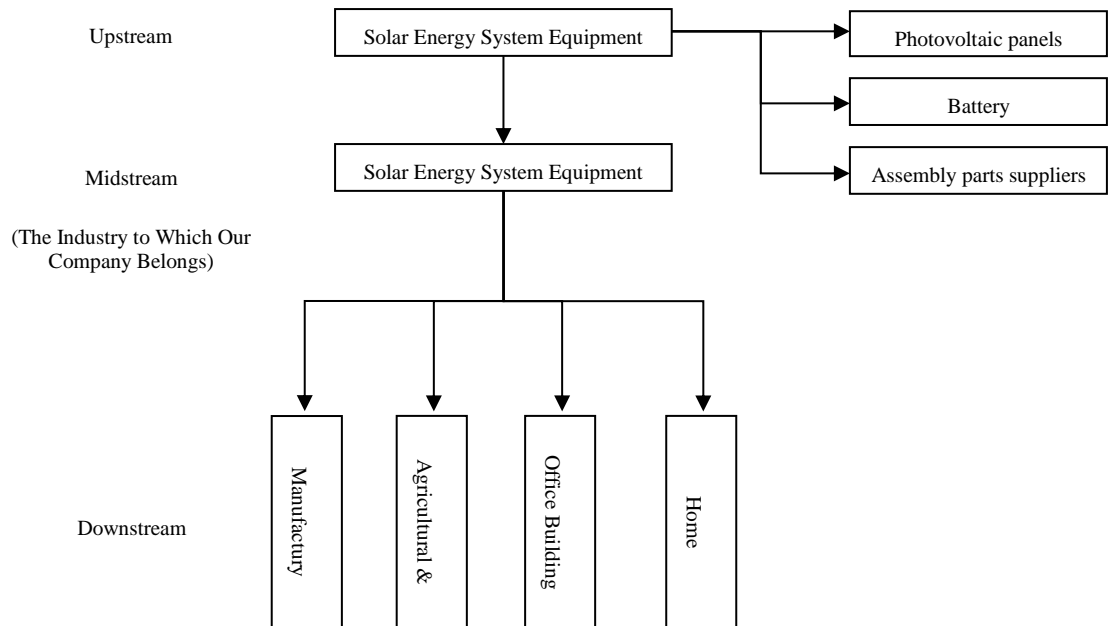
(1) Current Situation and Development of Taiwan's Industry:

Energy transformation is an important policy goal of the current government and is related to Taiwan's transformation path for the next 30 years. This is a very difficult challenge, and in the past six years, the government has continued to integrate the efforts of all sectors and public-private partnerships to accelerate the "2050 net-zero transition" using a stable foundation. In recent years, many domestic companies have joined the RE100 trend and responded to the industry's urgent demand for green electricity. The government has announced the roadmap for net-zero emissions and successively proposed "12 key strategies" to integrate resources across departments and continue to invest in forward-looking technology research and development to develop various other green energies, including hydrogen, geothermal, ocean energy, and bioenergy. This indicates that the green energy and renewable industry will continue to play an important role in the economic development process.

Going forward, the Company will develop new customers and construct solar energy projects in line with photovoltaic industry policy and market development trends. The Company has also established renewable energy installations in Chiayi, Changhua, and Taoyuan, utilizing Company-owned land and facilities or leased premises. These installations are currently generating electricity for sale to the grid on a stable basis, supplementing and increasing Group revenue. The Company aspires to establish a meaningful position in the ongoing wave of green energy industry development. The 2050 net-zero transition represents a transformational undertaking that spans generations, disciplines, and borders; beginning in 2023, the government has required enterprises to disclose greenhouse gas inventory data, with the expectation that carbon reduction will become a new driver of industrial upgrading and economic development. In order to maintain power supply stability, increase the pace of renewable energy installation, and move towards the goal of net-zero transition, the government will continue to increase the pace of renewable energy installation every year and continue to move towards a circular approach to reduce carbon emissions and air pollution, in step with the global 2050 net-zero movement.

(2) Relationship between the upstream, midstream, and downstream in the market:

The solar energy system equipment industry is divided into upstream, midstream, and downstream, with upstream consisting of system equipment manufacturers, midstream consisting of system equipment installers, and downstream consisting of system equipment users. Our company belongs to the midstream as a solar energy system equipment installer, with a business focus on setting up solar photovoltaic systems and finding suitable installation sites.



- Upstream: Solar system equipment manufacturers such as solar panels or batteries.
- Midstream: Solar system equipment installation companies such as the company itself.
- Downstream: Direct users of solar system equipment, such as households, office buildings, factories, and agricultural and pastoral industries.

For end manufacturers, solar photovoltaic equipment provides a stable annual return on investment, so manufacturers who build and sell equipment do not need to worry about finding clients.

(3) Solar development trends:

Taiwan is a densely populated country with few plains and many mountains, and the 20GW solar photovoltaic target urgently requires installation space. The 1GW currently installed has been completed on land with the most suitable sun exposure, so the government is taking stock to find suitable and potential new land space for use.

For ground-mounted systems, the key to development lies in land. Agricultural land sinking zones, salt industry land, polluted land, closed landfills, and land sinking zones along high-speed railways can be flexibly used to set up ground-mounted solar power plants. Currently, the land inventory for solar photovoltaics is as follows: 803 hectares of salt land excluding national wetland protection areas. 1,253 hectares of land sinking zones in 18 areas

opened by the Council of Agriculture. 2,721 hectares of detention basins and reservoirs. And 2,633 hectares of landfills and polluted land.

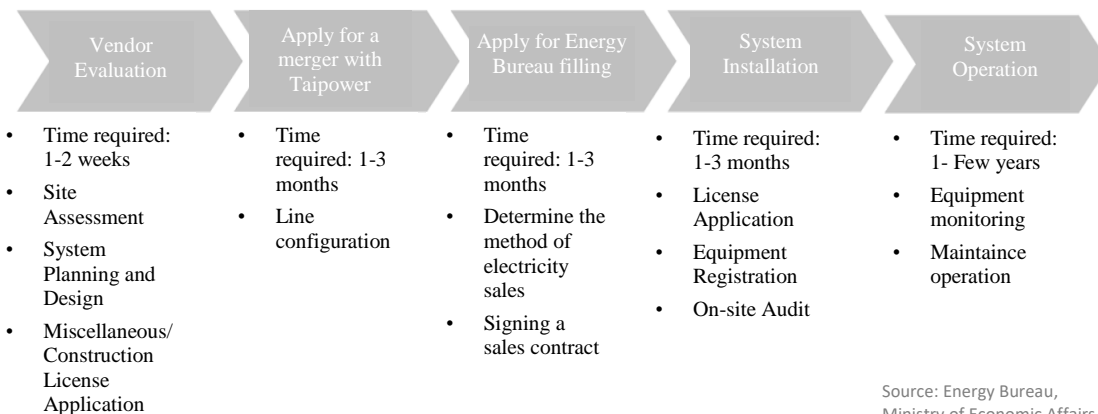
For rooftop systems, the focus is on central public rooftops, industrial plants, agricultural greenhouses, and other rooftops (local public rooftops, residential, commercial). Considering the expansion of solar photovoltaic policies and the safety of the solar photovoltaic system structure, illegal rooftop buildings can be reviewed and relevant permits and licenses obtained according to the autonomous regulations of local governments. For example, the “Kaohsiung City Building Installation of Solar Photovoltaic Facilities Measures” has relaxed the height limit for solar photovoltaic installations to below 4.5 meters, exempted from calculating the area of protruding roofs and building height, but miscellaneous permits must still be obtained according to regulations.

(4) Competitive landscape:

The solar energy industry has become one of the green energy technology projects under the government’s 5+2 industrial innovation plan. When installing solar systems, formal applications must be submitted to the government, and the application process involves contacting multiple government agencies, which can take months. In addition, after the solar system is successfully operational, the lifespan of electronic products, the depreciation and obsolescence of components, and regular maintenance must all be considered, which will increase costs. These additional costs are also factors that need to be considered when setting up a solar energy system.

Due to the government’s emphasis on green energy policies and subsidies, many companies have invested in the installation of solar system equipment. However, this industry requires high investment and has a longer payback period (purchasing system equipment, finding installation sites, compliance with regulations, etc.), making it more difficult for companies to allocate funds and achieve shareholder returns.

The equipment investment and construction schedule are shown in the following figure.:



Source: Energy Bureau, Ministry of Economic Affairs

III. Technical and R&D Overview

The main products of technical research and development are waxes, while aquatic and solar photovoltaic systems are purchased, built and then sold.

Technical and R&D Overview

- a. Our finished waxes 125°F、135°F、140°F、145°F、156°F、160°F and 180°F have passed the US FDA regulatory annual inspection this year.
- b. To comply with European Union regulations and facilitate the smooth entry of products into the European market, the company's three types of substances, paraffin wax, microcrystalline wax, and intermediate crude wax, were analyzed by SGS and all passed the testing of 235 items under the European Union SVHC.
- c. As the only domestic raw material supplier has ceased production, crude wax is currently imported from abroad. To expand and diversify sources, suitable Slack waxes will be purchased from companies such as Thai Lube, IRPC, Sepahan, Tonen General, and Pertamina. In addition, other foreign Slack wax samples will continue to be obtained through channels to establish analysis data and evaluate applicability for future procurement decisions.
- d. Strengthen cooperation between industry, academia, and research and development projects (we have reached out to Taiwan Textile Research Institute and Chaoyang University of Technology) to increase product value and diversify applications, discover new business opportunities (paraffin phase change material (PCM)), and evaluate the feasibility of launching new business projects.

IV. Long- and Short-Term Business Development Plans

(1) Marketing Strategy

A. Short-term Plan

Develop new high value-added products through planned marketing strategies to avoid competing with low-priced waxes from the mainland in the traditional candle market.

B. Long-term Plan

Establish a sound after-sales service system to provide professional technical consultation (an advantage of the Company) to enhance client satisfaction with the Company's products and improve service quality.

(2) Production and Product Strategy

A. Short-term Plan

Reintegrate existing production lines, retire inefficient machinery and actively promote energy-saving and waste-reduction programs to reduce production costs and improve process operation stability.

B. Long-term Plan

By leveraging the research and development capabilities of academic institutions (we have reached out to Taiwan Textile Research Institute and Chaoyang University of

Technology), we actively develop non-paraffin products, namely, our second product line, and move towards the high value-added industry.

(3) Financial Strategy

A. Short-term Plan

- ① In line with the Company's overall operational objectives, we seek diversified sources of funding to facilitate the smooth completion of business expansion plans, and share the profits with shareholders.
- ② Strengthen the Company's financial structure by reducing inventory and accounts receivable collection days, improving financial ratios, and reducing funding and operating costs.

B. Long-term Plan

Raise funds for the company's long-term development through capital markets to expand operations and return long-term investment returns to shareholders.

(4) Business Management Strategy

A. Short-term Plan

- ① Combine management information computerization, simplify the operation process, and enhance departmental management performance.
- ② Strengthen internal audit operations and establish a sound system.

B. Long-term Plan

- ① Master the product market trends, expand sources of industry information, and formulate integrated product and marketing strategies.
- ② Combine human resource training goals, establish career planning for colleagues, consolidate colleagues' cohesion and ambition, pursue the Company's and colleagues' common growth, and achieve the Company's vision.

Two. Market and Sales Overview

I. Market Analysis

(A) Wax Products

(1) Sales Regions of Main Products

Our company is the only professional manufacturer of refined wax domestically, mainly for domestic sales. The export regions are mainly in Asia and the Americas. The sales amount by region in 2024 and 2023 are as follows:

Unit: NT\$ thousand

Items \ Year		2024		2025	
		Amount	%	Amount	%
Domestic Sales		128,872	75.14	42,620	59.10
Direct/Indirect International Sales	Asia	23.72	28,511	39.54	
	America	1.14	984	1.36	
	Subtotal	24.86	29,495	40.90	
Total		171,504	100.00	72,115	100.00

(2) Market Share and Future Supply-Demand Status and Growth

A. Market Share

Our company's main product, refined paraffin wax, is mostly for domestic sales, with a market share of about 60%.

B. Future Supply Status of the Market

Petroleum wax manufacturers will focus on improving research and development technology in the future, and develop high value-added products such as industrial-use formula wax, leisure and entertainment-use wax, and wax for aesthetic medicine to meet the needs of users in different fields globally.

C. Future Demand Status of the Market

In recent years, petroleum wax sales have generally shown a stable growth trend. As the application scope of petroleum wax gradually expands, and petroleum wax manufacturers accelerate the development of formula wax basic technology, it will meet the needs of more users in various fields. Therefore, if petroleum wax manufacturers can focus on the research and development of formula wax technology in the future, with the continuous expansion of the application scope of petroleum wax, the demand for petroleum wax in the market is expected to continue to increase.

D. Future Growth Potential

Our company has a upstream position in the wax industry and is a key player in the future overall wax industry system. We can play a leading role and enter the international market.

(3) Niche competition

- A. Excellent product quality.
- B. Strong production capacity and highly automated production lines.
- C. Continuously developing niche products.

(4) Favorable factors for future development

- A. The global petroleum wax application market will continue to grow, with huge potential business opportunities.
- B. Effective cooperation with foreign industry on technology, to master information and technical sources.
- C. Good stability in product quality, deeply appreciated by clients.
- D. Integration of production and supply chain capabilities, to effectively reduce production costs.

(5) Adverse factors and corresponding strategies for future development

- A. Facing competition from Chinese low-cost and Japanese high-quality waxes due to exchange rate fluctuations.

Response strategy: To avoid price competition effectively, actively play to its advantages in petroleum wax production technology, continuously research and develop high-value-added products such as industrial wax formulations, and develop profitable products for product types that are currently not widely available in the market, to establish market differentiation. Furthermore, strengthen after-sales service to establish good cooperative relationships with clients.

- B. Difficulty in finding research and development talents in the field of petroleum wax.

Response strategy: a. Collaborate with domestic and foreign research and development units to expand research and development reach, and enhance product development capabilities.

b. Continuously introduce automated production equipment, strengthen employee professional training to improve employee production efficiency, and devote efforts to improving production technology and processes, so that equipment production capacity can be fully utilized.

(B) Aquatic Products

- (1) The aquaculture department of Taiwan Wax Company currently focuses mainly on salmon, with less production of flatfish, king crabs, and shrimp. However, the total sales volume of salmon accounts for only 0.1% of the world's total production. With the increasing demand for aquatic protein worldwide, Taiwan Wax Company has room for growth.

- (2) The world's population is constantly increasing, but ocean resources are dwindling. The demand for aquatic protein is on the rise. Mainland China's consumption of aquatic protein is only one-sixteenth of the world's, so there is great potential for development.

(C) Solar Photovoltaic

- (1) With the government aiming to reach a 20GW solar photovoltaic system installation capacity by 2025, the target of 5GW is expected to be achieved by the end of this year. The market is optimistic about the next five years, which could bring in 15GW of business opportunities worth around 750 billion.
- (2) However, due to the Agricultural Committee's policy changes regarding using farmland for solar energy, all farmland are currently ineligible for installation, which is a major disadvantage in the market.

II. Main Product Uses and Manufacturing Processes

(1) Main Products:

① Wax products:

Refined paraffin wax

- A. 52/54°C (125°F) Refined Paraffin Wax
- B. 56/58°C (135°F) Refined Paraffin Wax
- C. 58/62°C (140°F) Refined Paraffin Wax
- D. 62/66°C (145°F) Refined Paraffin Wax
- E. 68/70°C (156°F) Refined Paraffin Wax
- F. 70/72°C (160°F) Refined Paraffin Wax
- G. 80/88°C (180°F) Refined Paraffin Wax

Formulation Wax

- A. Paraffin Wax Phase Change Material (coating...)
- B. Investment Casting Wax
- C. Composite Microcrystalline Wax

Emulsion Wax

- A. Wax for Washed Eggs

② Aquatic Products:

Salmon, flatfish, king crab, large shrimp species

③ Solar Energy:

Construction and sale of solar energy photovoltaic equipment.

(2) Important uses of main products

① Wax Products :

Main Products	Uses of the main products
Refined Paraffin Wax	Candle making, moisture-proof coating for paper boxes, wax crayons, PVC, rubber grease additives, chewing gum thickening agents, battery ncapsulants, and insulation for electronic products.
Formulation Wax	Coating, paint, textile.
Emulsion Wax	Washed eggs.

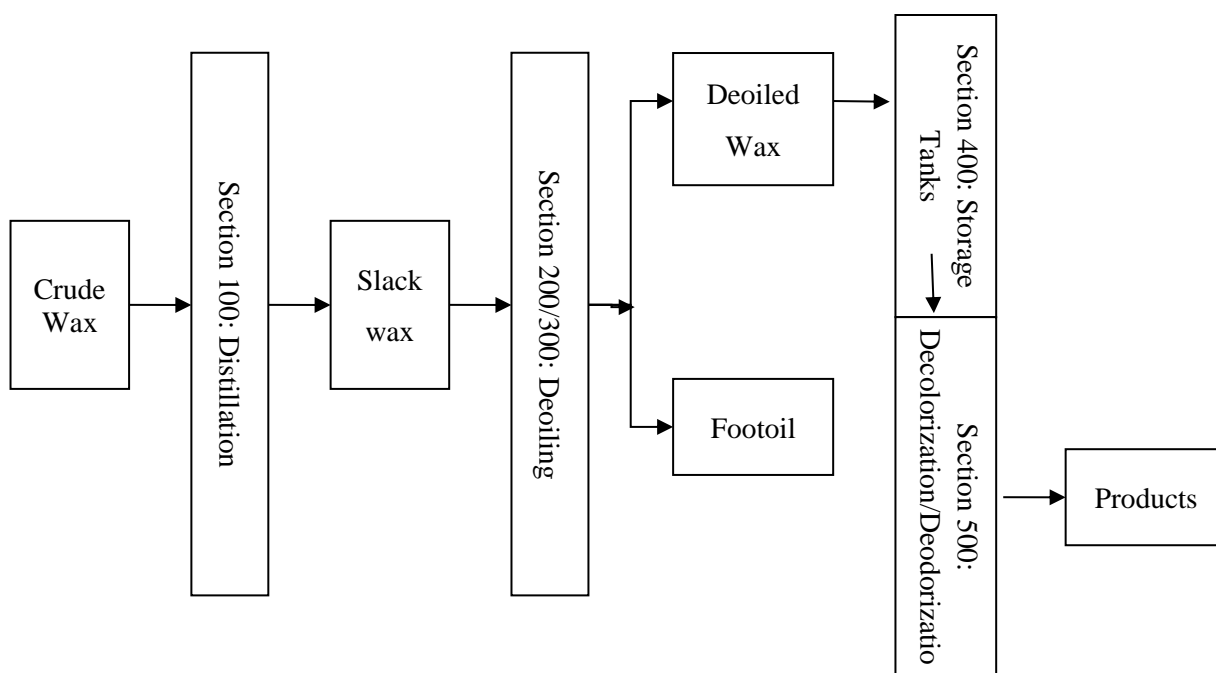
② Aquatic products: can be directly consumed or processed into finished products.

③ Solar energy: photovoltaic equipment mainly for power generation, with end clients being Taiwan Power Company. Generated electricity may also be transmitted to green electricity buyers through renewable energy transmission service providers.

(3) Production processes of main products

A. Paraffin wax

Taiwanese wax factories mainly use crude wax as raw material, and produce various refined paraffin waxes with different melting points, as well as by-product Footoiles, through a series of distillation, freezing, filtration, steam distillation, separation and other process units. The operation functions of this factory are divided into the following areas:



III. Supply status of Main Raw Materials

(1) Wax Products: The main raw material for wax production is crude wax. In 2023, our company mainly imported raw materials from Asian countries and other regions.

- (2) Aquatic Products: We mainly purchase aquatic products from Norway, Chile, Canada, Iceland, Russia, and other countries.
- (3) Large Solar Photovoltaics: The main raw materials for solar photovoltaic modules are supplied by major manufacturers such as AUO or TSMC, while the inverters are supplied by leading companies such as Delta Electronics, Huawei, and Yingzheng.

IV. Suppliers (customers) who accounted for more than 10% of the purchase (sales) in any one of the most recent two fiscal years

- (1) The names of suppliers who accounted for more than 10% of the purchases in any one of the past two years, along with their purchase amount and proportion:

Unit: NT\$ thousand

Items	2024				2025				As of the end of the first quarter of 2026			
	Name	Amount	Percentage of net purchases for the whole year [%]	Relation with Issuer	Name	Amount	Percentage of net purchases for the whole year [%]	Relation with Issuer	Name	Amount	Percentage of net purchases as of the end of the most recent quarter [%]	Relation with Issuer
1	Company A	94,767	67.10	None	Company A	18,888	45.01	None	Company A	1,969	50.66	None
2	Company B	17,722	12.55	None	Company B	9,895	23.58	None	Company B	1,427	36.72	None
3	Company C	24,329	11.51	None	Company C	6,882	16.40	None				None
4								None				
	Others	13,753	9.74	None	Others	6,304	15.01	None	Others	491	12.62	None
	Purchase amount	141,222	100.00		Purchase amount	41,969	100.00		Purchase amount	3,887	100.00	

- (2) The name(s) and sales amount percentage of client(s) that accounted for 10% or more of the total sales in either of the most recent two fiscal years:

Unit: NT\$ thousand

Items	2024				2025				As of the end of the first quarter of 2026			
	Name	Amount	Percent age of net purchase amount for the whole year [%]	Relation with Issuer	Name	Amount	Percent age of net purchase amount for the whole year [%]	Relation with Issuer	Name	Amount	Percentage of net sales as of the end of the most recent quarter [%]	Relation with Issuer
1	Company E	26,600	11.51	None	Company E	11,472	10.27	None	Company E	2,302	13.06	None
2	None			None				None	Company F	2,138	12.12	None
3									Company G	1,812	10.28	None
	Others	204,591	88.49	None	Others	100,225	89.73	None	Others	11,381	64.54	None
	Sales amount	231,191	100.0		Sales amount	111,697	100.0		Sales amount	17,633	100.0	

Three. Employee Statistics for the Most Recent Two Fiscal Years up to the Annual Report Publication Date

Year		2024	2025	As of March, 2026
Number of employees	Staff	17	19	18
	Employee	10	7	7
	Total	27	26	25
Average age		48.57	51.24	50.96
Average years of service		13.34	14.13	14.18
Education distribution percentage (%)	Ph D.	0%	0%	0%
	Master's degree	11.1 %	7.7 %	16.0%
	College	59.3%	69.2%	64.0%
	Senior high school	25.9%	19.2%	16.0%
	Below senior high school	3.7%	3.8%	4.0%

Four. Disclosure of Environmental Information

- I. Total amount of losses (including compensation) and disposal due to environmental pollution incurred in the most recent fiscal year and up to the date of printing this annual report, as well as future response measures (including improvement measures) and potential expenses (including estimated amounts of losses, disposal, and compensation that may occur if response measures are not taken, and if it is not possible to estimate the amount reasonably, it shall be stated that the fact cannot be reasonably estimated): None.

Five. Labor Relations

Since its establishment, the Company has been committed to promoting harmonious labor relations, caring for and respecting employees, and working together with them to achieve common goals. To strengthen labor relations, safeguard employee rights and benefits, and promote a sense of unity and mutual prosperity between employees and the Company, the following systems and measures have been established.

I. Employee benefits, training and education programs, retirement system and its implementation status, as well as labor-management agreements

(I) Employee welfare measures and rights protection:

The Company provides employee bonuses according to the law, and contributes to the National Health Insurance, labor insurance, group insurance, retirement funds, as well as employee welfare funds, which are set aside based on a certain proportion of the Company's operating income and capital.

Other benefits include annual bonuses, employee health checkups, marriage, funeral, and childbirth subsidies, hospitalization comfort money, marriage subsidies, annual paid leave, and employee uniforms.

The Company has established an employee welfare committee in accordance with the law, which is composed of elected representatives from all employees. The committee holds regular meetings, elects committee members, and sets annual plans for activities, including festival gifts and bonuses, celebration of life events, social club activities, birthday bonuses, and various travel and social events.

(II) Employee education and training system:

The Company has established the "Employee Education and Training Management Operating Procedures" to effectively assist in improving work knowledge and completing tasks assigned by the Company, allowing employees to grow and innovate with new ideas. Regular on-the-job training, outsourced professional training courses, and new employee training activities are held as needed. Various employee training programs are carried out in accordance with the "Annual Training Plan." The training and education activities for 2024 are as follows:

Items	Shift	Total number of people	Total hours	Total cost
1. New employee training	-	-	-	-
2. Professional skills training	10.0	10.0	45.0	17,000
3. Supervisor talent training	1.0	1.0	12.0	8,000
4. General education training	-	-	-	-

5. Self-development training	-	-	-	-
Total	11.0	11.0	57.0	25,000

(III) Retirement system

The company has fully settled all pre-June 30, 2005, employment-based old pension plan liabilities by providing the entitled service-related benefits to the retired employees. The “Retirement Reserve Account” has been duly accounted for and closed.

For employees who joined after July 1, 2005, the retirement pension system under the Labor Retirement Pension Act applies, and 6% of their monthly salary is allocated to their personal retirement pension account with the Labor Insurance Bureau.

(IV) Labor-management agreements:

In accordance with Article 83 of the Labor Standards Act, there is a “Labor-Management Conference Implementation Measures” for both labor and management to follow. The Labor-Management Relations Committee has been established to hold regular meetings for communication and discussion, so that employees can fully understand the management system and the Company’s operating goals. An employee suggestion box is also set up to provide multiple channels to promote labor-management communication and protect the rights and interests of employees. Since its implementation, labor and management have worked harmoniously, and all matters have been handled in accordance with the “Labor-Management Conference Implementation Measures.”

(V) Maintenance of various employee rights and benefits:

Adhering to the principle of co-existence and mutual prosperity with employees, we provide a safe working environment for our employees to improve their expertise. The Company has implemented various measures, including compliance with the Labor Standards Act and related labor laws and regulations, and establishing a personnel management system to protect the rights and interests of employees. Safety and health work rules have also been formulated to raise employee awareness and understanding of safety. Safety protection equipment is issued to on-site operators, and safety shoes are provided to them every year. Clear safety signs are present in the factory, and external contractors for outsourced projects may enter the factory for construction only after receiving a safety briefing. Access to the factory is controlled by security guards. To provide employees with a safe and comfortable working environment, in accordance with the Occupational Safety and Health Act, the Company implements working environment monitoring every six months, commissions external contractors for fire safety inspection declaration annually, and performs a safety inspection of buildings every two years.

II. Total amount of losses incurred in the past two fiscal years and up to the date of printing this annual report due to labor disputes, estimated amounts of potential losses in the future, and response measures:

Our company has a low-pollution, automated production process with streamlined personnel, and has actively implemented and improved welfare and safety measures. As a result, there have been no major adverse labor disputes, and the probability of future labor disputes is not high.

Six. Information Communication Security Management:

(I) Describe the information and security risk management framework, security policies, specific management plans, and resources invested in security management:

To strengthen the company’s Information Communication Security Management and ensure the security of data, systems, and networks, we have established an information security department responsible for coordinating information security and related matters. The internal control procedures related to information security are developed by the audit department and internal audits are conducted regularly. As information systems and internet applications become increasingly advanced, we will establish Information Communication Security Management policies as the basis for all employees to follow information security. In terms of resources invested in security management, the company implements firewalls to further block virus intrusion attacks. For the user side, we keep Windows up-to-date and patch vulnerabilities in a timely manner to prevent viruses and hackers from attacking through Windows vulnerabilities. The company will periodically assess the likelihood of information security risks causing losses, commission vendors to build and maintain important information systems, and take out appropriate insurance to reduce the amount of losses if necessary.\

(II) List the losses incurred due to significant security incidents up to the date of printing this annual report in the most recent fiscal year, potential impacts, and response measures taken. If it is not possible to estimate the losses reasonably, it shall be stated that the fact cannot be reasonably estimated: None.

Seven. Important Contracts :

Name of contract	Parties	Beginning and end dates of contract	Major content	Restrictive clauses
Contract of representation	Three D Group Ltd.3DV	2014/9/15-2014/9/30	Acquisition of exclusive distribution rights for sales products.	None

Review of Financial Conditions, Operating Results, and Risk Management

One. Financial Status

Unit: NT\$ thousands

Items	Year		Difference	
	2024	2025	Amount	%
Current assets	795,314	349,651	(445,663)	(56.04)
Property, Plant and Equipment	867,277	537,328	(329,949)	(38.04)
Other assets	184,309	547,842	363,533	197.24
Total assets	1,846,900	1,434,821	(412,079)	(22.31)
Current liabilities	333,728	23,869	(309,859)	(92.85)
Non-current liabilities	124,848	119,584	(5,264)	(4.22)
Total liabilities	458,576	143,453	(315,123)	(68.72)
Share capital	935,593	926,713	(8,880)	(0.95)
Retained earnings	289,902	184,131	(105,771)	(36.49)
Other Equity	14,511	18,051	3,540	24.40
Non-controlling interest	0	-	-	-
Total Stockholders' Equity	1,388,324	1,291,368	(96,956)	(6.98)

Explanation of variance in ratio analysis: (explanation of variance in ratios that have changed by 20% or more)

- The decrease of NT\$412,079 thousand in total assets is analyzed as follows:
 - Current assets decreased by NT\$445,663 thousand, primarily due to a decrease in prepayments.
 - Property, plant and equipment decreased by NT\$329,949 thousand, primarily due to the reclassification of land and construction in progress to investment property.
 - Other assets increased by NT\$363,533 thousand, primarily due to the reclassification of land, construction in progress, and buildings to investment property.
- The decrease of NT\$315,123 thousand in total liabilities is analyzed as follows:
 - Current liabilities decreased by NT\$309,859 thousand, primarily due to repayment of short-term borrowings.
- Retained earnings decreased by NT\$105,771 thousand, primarily due to the after-tax net loss for 2025.
- Other equity increased by NT\$3,540 thousand, primarily due to the transfer of exchange differences arising from translation of the financial statements of foreign operations during the current period.

Two. Financial Performance

(I) Analysis of Financial Performance

Unit: NT\$ thousands

Items	2024	2025	Amount Variance	Change ratio (%)
Operating revenue	231,191	111,697	(119,494)	(51.69)
Operating Costs	(173,959)	(84,795)	(89,164)	(51.26)
Gross profit	57,232	26,902	(30,330)	(52.99)
Operating Expenses	(145,065)	(113,973)	(31,092)	(21.43)
Operating Income (Loss)	(87,833)	(87,071)	762	0.87
Non-operating income and expenses	171,377	(17,731)	(189,108)	(110.35)
Net Profit before tax	83,544	(104,802)	(188,346)	(225.45)
Income tax paid	(829)	4,306	5,135	619.42
Profit (loss) from continuing operations	82,715	(100,496)	(183,211)	(221.50)
Profit (loss) from discontinued operations	-	-	-	-
Net income (Loss)	82,715	(100,496)	(183,211)	(221.50)
Explanation of variance in ratio analysis: (explanation of variance in ratios that have changed by 20% or more)				
1. Revenue decreased by NT\$119,494 thousand in the current period, primarily due to a decline in wax product sales revenue compared to the prior period.				
2. Operating costs decreased by NT\$89,164 thousand in the current period, primarily due to a decline in the cost of wax product sales compared to the prior period.				
3. Gross profit decreased by NT\$30,330 thousand in the current period, primarily due to lower wax product sales compared to the prior period.				
4. Operating expenses decreased by NT\$31,092 thousand in the current period, primarily due to decreases in expected credit losses and administrative expenses compared to the prior period.				
5. Non-operating income and expenses decreased by NT\$189,108 thousand in the current period, primarily due to decreases in interest income and foreign exchange gains.				
6. Profit before tax, net income from continuing operations, and net income for the period all decreased, primarily due to declines in wax product sales revenue, bank interest income, and foreign exchange gains in the current period.				

- (I) Expected sales quantity and basis: The Company has not prepared or disclosed any financial forecast, so it is not applicable.
- (II) Possible impact on the company's future financial operations and response plan: There is no significant impact on the financial business situation.

Three. Cash Flow

I. Cash Flow Analysis for the Most Recent Two Years

Unit: NT\$ thousand

Items	Year		
	2024	2025	Variance
Operating activities	369,009	463,393	25.58
Investing activities	1,631,087	(4,313)	(100.26)
Financing activities	(2,020,599)	(308,054)	84.75
Explanation of variance in ratio analysis:			
1. Operating activities: Net cash inflows increased, primarily due to the recovery in the current period of prepayments made in 2024.			
2. Investing activities: Net cash inflows decreased, primarily due to the maturity of USD time deposits in 2024 that were transferred to demand deposits, with no such occurrence in the current period.			
3. Financing activities: Net cash outflows decreased, primarily due to higher repayments of long-term and short-term borrowings in 2024.			

II. Analysis of Cash Flow Liquidity in the Next Year

Unit: NT\$ thousand

Estimated Cash and Cash Equivalents, Beginning of Year	Estimated Net Cash Flow from Operating Activities	Full-year net cash flow from other activities	Expected cash surplus (shortfall) amount	Remedial measures for expected cash shortfall	
				Investment Plans	Financing Plans
262,710	90,997	(12,335)	341,372	—	—
Analysis of the expected changes in cash flow for the next year: There is no anticipated shortage of cash.					

Four. Impact of significant capital expenditures in the latest fiscal year on financial operations: None.

Five. Recent investment policy, primary reasons for profits or losses, improvement plans, and investment plans for the upcoming year:

- I. Our company's principle for re-investment is to pursue stability, diversification, and risk dispersion.
- II. The profit or loss of reinvestment depends on the prosperity or decline of the industry in which the investment target is located, the domestic economic situation, and the management strategy.

Six. Risk Management

I. The effect upon the company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future:

(I) Interest rate changes:

The Company's short-term borrowing is based on floating-rate debt, so fluctuations in market interest rates will cause the effective interest rate of short-term borrowing to fluctuate and affect future cash flows.

The finance department closely monitors changes in interest rates in the market, adjusts borrowing terms and interest calculation methods to reduce interest expenses.

(II) Exchange rate changes:

The Company's main import and export transactions are denominated in U.S. dollars. The fair value will change with the fluctuation of market exchange rates. However, the Company's foreign currency assets and liabilities can offset some of the market risks. Any position gaps generated will be hedged using forward exchange transactions to reduce exchange rate risk.

(III) Inflation:

The Company operates in a conservative and stable manner. We will continue to focus on reducing various production and sales costs in the future, closely monitor the supply and demand of raw materials and prices, and adjust inventory flexibly to reduce the impact of price fluctuations.

II. The company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future:

The company does not engage in high-risk, high-leverage financial investments and has established operational procedures in accordance with relevant laws and regulations of the Securities and Futures Bureau, including procedures for "Operational Procedures for Lending Funds to Others", "Operational Procedures for Acquiring or Disposing of Assets", and "Operational Procedures for Endorsement and Guarantee".

III. Research and development work to be carried out in the future, and further expenditures expected for research and development work:

Due to the high unit price of imported functional composite waxes, the Company intends to develop products such as jewelry wax, casting wax, rubber protection wax, slicing wax, and dental floss wax to enhance product diversity and added value.

IV. Effect on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:

The Company operates in compliance with relevant domestic and foreign laws and regulations, monitors developments in domestic and foreign policies and regulatory changes, collects relevant information for management decision-making, and consults with relevant professionals to adjust business strategies in a timely manner. So far, the company has not been affected by any significant domestic or foreign policy or legal changes in its financial business.

V. Effect on the company's financial operations of developments in science and technology as well as industrial change, and measures to be taken in response:

Although the industry in which the Company operates is mature, there are currently no revolutionary technological alternatives to its products. However, the Company will take proactive

actions to develop new production technologies for related products in order to strengthen its competitiveness.

VI. Effect on the company's crisis management of changes in the company's corporate image, and measures to be taken in response:

The Company adopts a prudent and conservative business strategy, fulfills its responsibilities for occupational safety and environmental protection, and establishes a pragmatic corporate image. Currently, there is no change in the company's corporate image, but the company continues to strengthen the crisis management awareness of its management team, develop preventive measures in advance, and avoid the occurrence of crises.

VII. Expected benefits and possible risks of mergers and acquisitions, and measures to be taken in response: The Company has no mergers and acquisitions in progress.

VIII. Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken:

The company is currently not engaged in any ongoing acquisitions or factory expansion operations.

IX. Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken:

For procurement, the Company has developed an imported slack wax from Thailand, acquired slack wax from Indonesia, and also regularly purchases crude wax from Iran through agents. In addition, the Company has obtained raw material supplies from Japan for multi-party raw material procurement to ensure long-term stable supply of raw wax materials.

In terms of sales, the number of the company's customers has increased year by year, and the sales volume is becoming more evenly distributed, greatly reducing the risk of concentrated sales.

X. Effect upon and risk to the company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken: No impact.

XI. Impact on the Company, associated risks, and responsive measures in the event of a change in control:

As of the date of publication of the annual report, the Company's operations are normal, and there is no situation where changes in management rights have affected the Company.

XII. Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that: involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report: There are currently no significant litigation, non-litigation, or administrative disputes.

XIII. Explanation and Response Measures for Information Security Risk Assessment and Analysis:

To strengthen the information security management of our company and ensure the security of data, systems, and networks, we have established an information security department responsible for coordinating information security and related matters. The audit department has also developed relevant internal control procedures to manage and regularly assess the potential loss caused by information security risks through internal audits. In the event of an information security incident that renders the information system inoperable or affects operational efficiency, the incident will be promptly reported to unit supervisors and personnel for related measures.

XIV. Other important risks, and mitigation measures being or to be taken: None.

Seven. Other Significant Events: None.

Special Disclosure

One. Summary of Affiliated Companies

Market Observation Post System https://mopsov.twse.com.tw/mops/web/t57sb01_q10

Two. Private Placements of Securities conduction has occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

Market Observation Post System <https://mops.twse.com.tw/mops/#/web/t116sb01>

Three. Other matters that require additional description: None

The situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

None.